



State of Wisconsin
2009 - 2010 LEGISLATURE

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LRB-3883/P1

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O-NOTE

PRELIMINARY DRAFT - NOT READY FOR INTRODUCTION

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1 AN ACT *to repeal* 20.155 (3) (s), 196.374 (1) (i), 196.374 (1) (o), 196.374 (3) (b)
2 (title) and 2. to 4., 196.374 (5) (bm) 3., 196.374 (7) (a), 196.374 (7) (b) 2., 196.374
3 (7) (c), 196.374 (7) (d), 196.378 (1) (am), 196.378 (1) (b), 196.378 (1) (fr), 196.378
4 (1) (h) 1., 1m. and 2., 196.378 (1) (j), 196.378 (1) (o), 196.378 (2) (b) 2., 196.378
5 (2) (b) 4. and 5. and 196.378 (4); *to renumber* 16.965 (1) (a), 84.185 (4), 196.025
6 (1) (ag) 1., 196.25 (1), 196.374 (7) (b) (title), 196.378 (1) (c) and (d), 196.378 (1)
7 (fm) (intro.), 196.378 (1) (g), 196.378 (1) (k), 196.378 (1) (p), 196.49 (1), 196.491
8 (5), 196.493 (2) (b) 3., 196.65 (1), 196.66 (1) and 292.75 (5); *to renumber and*
9 *amend* 26.38 (2m) (b), 101.027 (1), 196.025 (1) (b) 1., 196.374 (7) (b) 1., 196.374
10 (8), 196.378 (1) (intro.) and (ag), 196.378 (1) (ar), 196.378 (1) (fg), 196.378 (1)
11 (fm) 1., 196.378 (1) (fm) 2., 196.378 (1) (h) (intro.), 196.378 (1) (i), 196.378 (2) (c),
12 196.491 (1) (g), 196.491 (1) (w) 2., 196.491 (3m) (d), 196.493 (1), 196.493 (2)
13 (intro.), 196.493 (2) (a), 196.493 (2) (b) (intro.), 196.493 (2) (b) 1., 196.493 (2) (b)
14 2., 285.30 (5), 292.75 (7), 560.032 (1), 560.032 (2), 560.302 and 560.305 (4); *to*
15 *consolidate, renumber and amend* 196.374 (3) (a) and (b) 1. and 196.374 (3)

(c) 2. (intro.), a. and b.; **to amend** 16.75 (12) (a) 4., 16.965 (2), 25.96, 66.0309 (title), 66.0602 (2), 77.54 (30) (a) 1m., 79.005 (1b), 79.005 (4) (d), 79.04 (6) (a), 84.185 (3) (a) (intro.), 101.027 (2), 101.027 (3) (a) 1., 101.027 (3) (b) 1., 101.62, 101.63 (1) (intro.), 101.80 (1j), 110.20 (1) (b), 110.20 (3) (a), 196.025 (1) (b) 2., 196.025 (1) (c) 1., 196.025 (1) (c) 2., 196.025 (2m) (c), 196.374 (1) (b), 196.374 (1) (c), 196.374 (1) (d), 196.374 (1) (f), 196.374 (1) (j) (intro.), 196.374 (2) (a) 1., 196.374 (2) (a) 2. (intro.), 196.374 (2) (a) 2. a., 196.374 (2) (a) 2. b., 196.374 (2) (a) 2. d., 196.374 (2) (a) 3., 196.374 (2) (b) (title), 196.374 (2) (b) 1., 196.374 (2) (b) 2., 196.374 (2) (b) 3., 196.374 (2) (c), 196.374 (3) (c) (title), 196.374 (3) (c) 1., 196.374 (3) (d), 196.374 (3) (e) 1., 196.374 (3) (e) 2., 196.374 (3) (f) 1., 196.374 (3) (f) 2., 196.374 (3) (f) 3., 196.374 (3) (f) 4., 196.374 (4) (a) (intro.), 196.374 (4) (a) 1., 196.374 (4) (a) 2., 196.374 (4) (b), 196.374 (5) (a), 196.374 (5) (d), 196.374 (5m) (a), 196.374 (5m) (b), 196.374 (6), 196.374 (7) (e) 1. (intro.), 196.374 (7) (e) 1. a., 196.374 (7) (e) 1. b., 196.374 (7) (e) 1. c., 196.378 (2) (a) 1., 196.378 (2) (a) 2. c., 196.378 (2) (a) 2. d., 196.378 (2) (a) 2. e., 196.378 (2) (b) (intro.), 196.378 (2) (b) 1m. (intro.), 196.378 (2) (d) (intro.), 196.378 (2) (e) (intro.), 196.378 (2) (f), 196.378 (2) (g) 2., 196.378 (4m) (a), 196.378 (4m) (b), 196.378 (5) (intro.), 196.378 (5) (a), 196.49 (2), 196.49 (3) (a), 196.49 (4), 196.49 (6), 196.491 (3) (d) (intro.), 196.491 (3) (d) 2., 196.491 (3) (d) 3., 196.491 (3) (g), 196.491 (3m) (title), 196.491 (3m) (a) (intro.), 196.491 (3m) (b) 1. am., 196.491 (3m) (b) 3. b., 196.491 (3m) (c) 1. a., 196.493 (title), 196.65 (2), 196.66 (2), 196.66 (4) (b), 196.795 (11) (b), 196.85 (1m) (a), 285.30 (2) (intro.), 285.87 (1), 285.87 (2) (a), 299.97 (1), 560.032 (4), 560.081 (2) (e), 560.13 (2) (b) 2., 560.13 (3) (intro.) and 560.205 (1) (g); **to repeal and recreate** 196.374 (7) (e) (title) and 196.378 (3); **to create** 15.347 (3), 16.856, 16.954, 16.956 (1) (bk) and (bn) and (3) (f) to (i), 16.956 (3) (j), 16.965 (1)

1 (ag), 16.965 (1) (c), 16.965 (4) (g), 16.965 (5), 20.115 (4) (d), 26.38 (2m) (b) 2.,
2 26.38 (3) (d), 26.42, 36.605, 66.0309 (17), 66.0602 (3) (e) 9., 76.28 (1) (gm) 3.,
3 84.185 (1) (br) and (cr), 84.185 (2) (b) 15., 84.185 (2) (d), 84.185 (2m), 84.185 (4)
4 (b), 85.021, 85.0215, 93.47, 93.475, 100.215, 101.02 (23), 101.027 (1g), 101.027
5 (1r), 101.027 (4), 101.028, 101.173, 101.63 (1m), 101.80 (2m), 196.025 (1) (ag)
6 1g., 196.025 (1) (b) 1. b., 196.025 (1) (c) 3., 196.025 (1) (e), 196.025 (7), 196.25
7 (1g), 196.374 (1) (am), 196.374 (1) (dm), 196.374 (1) (er), 196.374 (1) (hm),
8 196.374 (1) (ig), 196.374 (1) (ir), 196.374 (1) (j) 8., 196.374 (1) (mb), 196.374 (1)
9 (me), 196.374 (1) (mh), 196.374 (1) (mL), 196.374 (1) (mo), 196.374 (1) (mr),
10 196.374 (1) (mu), 196.374 (3) (bc), (bg), (bn), (br) and (bw), 196.374 (3) (c) 2. am.,
11 bm., c., d. and e., 196.374 (3) (dm), 196.374 (5m) (am), 196.374 (7) (am), 196.374
12 (7) (bg), 196.374 (7) (cm), 196.374 (7) (dm), 196.374 (7) (e) 1. e., 196.374 (8) (a),
13 (b) and (c), 196.374 (9), 196.378 (1g), 196.378 (1r) (de), 196.378 (1r) (dm),
14 196.378 (1r) (ds), 196.378 (1r) (fg) 2., 196.378 (1r) (fg) 3., 196.378 (1r) (fm) 3.,
15 196.378 (1r) (fm) 4., 196.378 (1r) (gm), 196.378 (2) (a) 2. f., 196.378 (2) (a) 2. g.,
16 196.378 (2) (a) 2. h., 196.378 (2) (a) 2. i., 196.378 (2) (b) 1r., 196.378 (2) (b) 2m.,
17 196.378 (2) (bm), 196.378 (2) (h), 196.378 (3m), 196.379, 196.49 (1g), 196.49 (3)
18 (cm), 196.49 (5m), 196.491 (1) (g) 2., 196.491 (1) (i), 196.491 (1) (j), 196.491 (1)
19 (w) 2. b., 196.491 (3) (em), 196.491 (3m) (d) 1., 196.491 (3m) (d) 2., 196.491 (5)
20 (am), 196.491 (5) (c) 1. am., 196.491 (5) (c) 2. bm., 196.493 (1g), 196.493 (1r) (ag),
21 196.493 (1r) (b), 196.493 (2) (am) 1m., 196.493 (2) (am) 2. c., 196.493 (2) (am)
22 3., 196.493 (2) (am) 4., 196.493 (2) (c), 196.493 (3), 196.493 (4), 196.65 (1g),
23 196.66 (1g), 196.795 (6m) (a) 4m., 196.795 (6m) (cm), 196.80 (1r), 196.85 (1m)
24 (e), 285.305, 285.60 (11), 285.795, 292.75 (5) (a) 2m., 292.75 (5) (b), 292.75 (5m),
25 292.75 (7) (b), 299.03, 299.035, 299.04, 299.045, 346.94 (21), 346.95 (11),

1 560.032 (1g), 560.032 (1r) (b), 560.032 (2) (b), 560.081 (1m), 560.081 (2) (f) 6.,
2 560.13 (2) (b) 3., 560.13 (3) (em), 560.13 (3m), 560.302 (1m) and 560.305 (4) (b)
3 of the statutes; and **to affect** 1983 Wisconsin Act 401, section 1; **relating to:**
4 goals for reductions in greenhouse gas emissions, for construction of zero net
5 energy buildings and for energy conservation; information, analyses, reports,
6 education, and training concerning greenhouse gas emissions and climate
7 change; energy efficiency and renewable resource programs; renewable energy
8 requirements of electric utilities and retail cooperatives; requiring electric
9 utilities to purchase renewable energy from certain renewable facilities in their
10 service territories; authority of the Public Service Commission over nuclear
11 power plants; motor vehicle emission limitations; a low carbon standard for
12 transportation fuels; the brownfield site assessment grant program, the main
13 street program, the brownfields grant program, the forward innovation fund,
14 grants to local governments for planning activities, the transportation facilities
15 economic assistance and development program, a model parking ordinance;
16 surface transportation planning by the Department of Transportation and
17 metropolitan planning organizations to reduce greenhouse gas emissions;
18 environmental evaluations for transportation projects; idling limits for certain
19 vehicles; energy conservation codes for public buildings, places of employment,
20 one- and two-family dwellings, and agricultural facilities; design standards for
21 state buildings; energy efficiency standards for certain consumer audio and
22 video devices, boiler inspection requirements; greenhouse gas emissions and
23 energy use by certain state agencies and state assistance to school districts in
24 achieving energy efficiencies; creating an exception to local levy limits for
25 amounts spent on energy efficiency measures; creating an energy crop reserve

④ This bill contains numerous provisions relating to reducing greenhouse gas emissions, and increasing energy efficiency and the use of renewable resources to produce energy.

1 program; identification of private forest land, promoting sequestration of
2 carbon in forests, qualifying practices and cost-share requirements under the
3 forest grant program established by the Department of Natural Resources; air
4 pollution permits for certain stationary sources reducing greenhouse gas
5 emissions; allocating a portion of existing tax-exempt industrial development
6 revenue bonding to clean energy manufacturing facilities and renewable power
7 generating facilities; requiring a report on certain programs to limit
8 greenhouse gas emissions; granting rule-making authority; requiring the
9 exercise of rule-making authority; and providing a penalty.

Analysis by the Legislative Reference Bureau

GREENHOUSE GAS EMISSION REDUCTION GOALS

This bill specifies goals for statewide reductions in net greenhouse gas emissions. The goals are: that the amount of emissions in 2014 does not exceed the amount in 2005; that the amount of emissions in 2022 is at least 22 percent less than the amount in 2005; and that the amount of emissions in 2050 and thereafter is at least 75 percent less than the amount in 2005. The bill requires the Department of Natural Resources (DNR) to quadrennially assess progress toward meeting the goals.

ZERO NET ENERGY BUILDING GOAL

This bill specifies that it is the goal of this state that by 2030 each newly constructed residential or commercial building will use no more energy than is generated on-site using renewable resources. The bill requires the Department of Commerce (Commerce) to quadrennially assess progress toward meeting the goal.

ENERGY CONSERVATION GOALS

This bill specifies goals for reductions in projected statewide consumption of electricity, liquified petroleum gas, heating oil, and natural gas by percentages specified in the bill. The bill requires the Public Service Commission (PSC) to quadrennially assess progress toward meeting the goals.

INFORMATION, ANALYSES, AND REPORTS

This bill requires DNR to collect or estimate information on greenhouse gas emissions, to prepare inventories and analyses of greenhouse gas emissions, and to quadrennially prepare an assessment of whether this state is meeting current greenhouse gas emission reduction goals and of whether the state is likely to meet future goals. The bill requires DNR to propose new climate change programs or changes in existing programs or goals.

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The bill creates the Climate Change Coordinating Council (council), consisting of the heads of specified state agencies or their designees, and requires the council to make recommendations on climate change policy to the legislature and the governor based on DNR's assessments and other information. The bill also requires the council to promote and coordinate educational and training programs related to climate change.

Under current DNR rules, the threshold for a stationary source of air emissions to report its emissions of carbon dioxide is 100,000 tons per year. The bill requires DNR to lower the threshold to 10,000 tons per year and to require a source that must report its emissions of carbon dioxide to also report methane and nitrous oxide emissions from the combustion of fuel.

RENEWABLE ENERGY OFFER TO PURCHASE ORDERS

With certain exceptions, this bill requires the PSC to issue an order directed at each retail electric utility that requires such a utility to offer to purchase the renewable energy generated at renewable facilities within the utility's service territory that are constructed after the effective date of the PSC's order. The bill defines "renewable facility" as an electric generating facility that derives energy from: 1) photovoltaic energy; 2) wind power; 3) gas made from renewable resources specified under the renewable portfolio standard statute; or 4) any other renewable resource specified by the PSC. In addition, to qualify as a "renewable facility," the facility must be a small-scale facility, as determined by the PSC.

The PSC's orders must specify standard purchase terms for each type of renewable facility, including terms for prices paid for renewable energy, payment schedules, and maximum limits on generating capacity. In specifying terms for renewable energy prices, the PSC must consider production costs, reasonable rates of return on investment, and state and federal incentives available to facility owners and operators. The PSC's orders may also include any of the following: 1) requirements for adjusting the standard purchase terms based on changes in operating costs; 2) different prices for renewable energy generated at renewable facilities of the same type that have different generating capacities; or 3) other conditions specified by the PSC. The PSC's orders must also prescribe for each type of renewable facility a standardized agreement incorporating the applicable terms and conditions.

The bill allows the PSC to limit a requirement upon a utility to purchase renewable energy from renewable facilities under an order described above. The PSC may base a limit on the number of renewable facilities, the total installed generating capacity of renewable facilities, or the total amount of renewable energy that must be purchased. However, the PSC may limit a requirement upon a utility only if the limit is consistent with the purpose of the bill, which the bill specifies is to maximize the development and deployment of distributed renewable energy generation technologies used at renewable facilities without unreasonable impacts on rates.

The bill also allows the PSC to exempt small and large retail electric utilities from certain of the above requirements. Under the bill, a small utility is one that had retail electric sales of less than 2,500,000 megawatt hours in 2008, and a large utility

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bill's requirements regarding the orders

is one that had retail electric sales of 2,500,000 megawatt hours or more in 2008. For a small or large utility, the PSC may exempt the utility from the requirement to purchase renewable energy from particular types of renewable facilities. For a large utility, the PSC may exempt the utility from all of the above requirements. However, a large utility is not eligible for either of the foregoing exemptions unless the PSC finds that the utility's voluntary initiatives are consistent with the purpose of the bill, as described above.

The bill also does the following:

- 1) Requires the PSC to periodically review its orders ~~under the bill~~ and, as appropriate, revise the standardized agreements prescribed in the orders.
- 2) Specifies that a utility that purchases renewable energy as directed in an order ~~under the bill~~ acquires the renewable resource credits associated with the generation of the renewable energy. *5 times as otherwise specified by the parties*
- 3) Allows a utility and owner or operator of a renewable facility to agree to renewable energy purchases on terms and conditions that differ from those specified in a PSC order ~~under the bill~~ *period stays*
- 4) Provides that a limit on the PSC's authority under current law regarding renewable resource requirements applies to any electric public utility, rather than to an investor-owned electric public utility as under current law.

MOTOR VEHICLE EMISSION STANDARDS

Under the federal Clean Air Act (the act), the federal Environmental Protection Agency (EPA) sets limits on pollutants that may be emitted by motor vehicles. The act generally prohibits states from enacting motor vehicle emission limitations that differ from the federal limitations, but the act allows California to enact limitations that differ from the federal limitations under certain circumstances. To implement differing limitations, California must obtain a waiver from the EPA administrator. The act allows other states to enact motor vehicle emission limitations that are identical to limitations for which California has obtained a federal waiver.

California has enacted emission limitations that are stricter than EPA's emission limitations for motor vehicles, including greenhouse gas emission limitations for passenger cars, light-duty trucks, and medium-duty passenger vehicles. The California greenhouse gas limitations basically specify requirements for the average amount of greenhouse gas emissions from vehicles produced by a manufacturer that are delivered for sale in the state. California has also enacted regulations that require certain motor vehicle manufacturers (based on the volume of vehicle sales in California) to deliver zero emission vehicles for sale in California. A zero emission vehicle is a vehicle that is certified by the California Air Resources Board to produce no emissions of certain air pollutants (for example, a battery-powered or fuel cell car).

This bill requires DNR to promulgate rules specifying emission limitations for passenger cars, light-duty trucks, and medium-duty passenger vehicles that are identical to the California emission limitations, including the greenhouse gas emission limitations, but not including the zero emission vehicle requirements.

The bill authorizes DNR to promulgate rules that are identical to the California zero emission vehicle requirements if DNR determines that those requirements

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would be an effective and efficient part of the strategy for this state to meet its greenhouse gas emission reduction goals. The bill also requires DNR to study any greenhouse gas emission reduction requirements applicable to other motor vehicles that California adopts after October 1, 2009, and to report the results of its study to the legislature.

LOW CARBON FUEL STANDARD

This bill requires DNR to promulgate a rule requiring the reduction in the carbon intensity of transportation fuels sold in this state, if specified conditions are met. This kind of requirement is referred to as a low carbon fuel standard. Carbon intensity is a measure of the amount of greenhouse gases emitted in producing, distributing, and using a fuel per unit of energy produced by the fuel. The bill requires DNR to promulgate the rule if an advisory group to the Midwestern Governors Association (MGA) makes recommendations on the design of a low carbon fuel standard and the recommendations are endorsed by the governors of a majority of the states whose governors endorsed the MGA Energy Security and Climate Stewardship Platform in 2007, including Wisconsin's governor. The DNR rule must be consistent with the advisory group's recommendations. The bill requires DNR to cooperate with other states in its activities related to the low carbon fuel standard, including in operating a regional system for trading credits that may be used to comply with the low carbon fuel standard.

ASSISTANCE TO COMMUNITIES

This bill modifies several programs that provide financial assistance to municipalities, and in some cases counties, to encourage activities that will result in a reduction of travel, energy use, or emissions of greenhouse gases or that are located in qualified areas. A qualified area is, generally, an area that is designated for traditional neighborhood development, is subject to the voluntary energy-saving building design standards that are established by Commerce under this bill, or is involved in the Green Tier Program, under which entities voluntarily undertake actions to improve the environment, if those actions are likely to result in significant reductions in emissions of greenhouse gases or energy use. A "traditional neighborhood" is a compact, mixed-use neighborhood where residential, commercial, and civic buildings are in close proximity to each other.

Brownfields site assessment grants

Under current law, DNR administers the Brownfields Site Assessment Program under which it provides grants to local governmental units for the purpose of investigating environmental contamination, removing abandoned containers, and conducting demolition at brownfields. "Brownfields" are industrial or commercial sites that are abandoned, idle, or underused because of actual or perceived environmental contamination. Current law requires the recipient of a grant under the program to provide matching funds of at least 20 percent of the amount of the grant.

This bill authorizes DNR, in awarding grants under the program, to give extra weight to projects that will result in a reduction of travel, energy use, or emissions of greenhouse gases or that are located in qualified areas. The bill also authorizes DNR to promulgate a rule that reduces the amount of matching funds that are

required under the program for such a project to be below 20 percent of the amount of the grant.

Forward innovation fund

Under current law, Commerce may award grants or loans from the Forward Innovation Fund (FIF) to certain eligible recipients, including municipalities, to undertake certain eligible activities, including innovative proposals to strengthen inner cities and rural areas. Recipients of a grant or loan under the FIF must provide a match of 25 percent of the grant or loan.

This bill requires Commerce to give additional consideration to an eligible activity proposed by an eligible recipient that is the governing body of a municipality if the eligible activity will result in a reduction in travel, energy use, or the emission of greenhouse gases, or if the eligible activity is located in a qualified area. Commerce is authorized to establish, by rule, a match of less than 25 percent for a municipality that receives a grant or loan if the grant or loan is awarded to that municipality for an eligible activity that will result in a reduction in travel, energy use, or the emission of greenhouse gases or that is located in a qualified area.

State Main Street Program

Also under current law, Commerce administers a State Main Street Program. Under the State Main Street Program, Commerce provides assistance to municipalities with the revitalization of business areas in the municipalities. Each year, Commerce selects up to five municipalities to participate in the program. This bill permits Commerce to give additional consideration to the application of a municipality that has proposed a project that is a "qualifying project." A "qualifying project" is defined by the bill as a project that will result in a reduction in travel, energy use, or the emission of greenhouse gases or that is located in a qualified area.

Brownfields grant program

Also under current law, Commerce awards grants to persons, including municipalities and counties, for brownfields redevelopment and associated environmental remediation. "Brownfields" are abandoned, idle or underused industrial or commercial facilities or sites, the expansion or redevelopment of which is adversely affected by actual or perceived environmental contamination. In determining whether to award a brownfields development grant to a person, Commerce may consider specified criteria, including the potential of the project to promote economic development in the area and the level of financial commitment of the applicant. Under current law, the recipient of a brownfields development grant must contribute matching funds towards the project of a percentage that varies depending upon the cost of the project, from not less than 20 percent to not less than 50 percent of the cost of the project.

This bill requires Commerce to give additional consideration to a "qualifying project." A "qualifying project" is defined by the bill as a project proposed by a city, town, village, or county that will result in a reduction in travel, energy use, or the emission of greenhouse gases or that is located in a qualified area. Commerce is authorized to establish, by rule, a match of less than the usual percentage of the cost of a project if the recipient of the grant is a city, village, town, or county and the project is a qualifying project.

Transportation facilities economic assistance and development program

Under current law, the Department of Transportation (DOT) administers a transportation facilities economic assistance and development program (TFEAD program) under which DOT provides assistance for construction or reconstruction of highways, airports, harbors, and railways (improvements). Before DOT can provide assistance for an improvement, DOT must approve the improvement. This approval may be made only if the improvement is a component of an economic development project that increases the number of jobs in this state and only after DOT has made determinations relating to 13 specifically identified factors, including whether the improvement is a justified transportation need; the ratio of the cost of the improvement to the increase in jobs; whether the improvement is compatible with other projects; and whether the improvement will contribute to economic growth. In awarding a grant under the TFEAD program, DOT must establish its maximum financial participation in the improvement, which generally is the lesser of 50 percent of the cost of the improvement or \$5,000 for each job resulting from the improvement or economic development project.

This bill adds a 14th factor that DOT must determine in approving an improvement under its TFEAD program and allows DOT to give extra weight to this factor. This 14th factor is whether the improvement will result in a reduction of travel, energy use, or emissions of greenhouse gases or is located in a qualified area. For such an improvement, the bill authorizes DOT, with limitations, to promulgate a rule allowing DOT to establish a higher level of financial participation and to use different standards for determining job creation or retention, as compared to other improvements under the TFEAD program.

Planning grants to local governments

Under current law, the Department of Administration (DOA) provides grants to municipalities, counties, and regional planning commissions for financing the cost of planning activities or purchasing computerized planning products or services. In awarding grants, DOA must give preference to applications of these local governments that contain six specified elements, which are planning efforts that address the interests of overlapping or neighboring jurisdictions; contain a description of the means by which 14 specified local, comprehensive planning goals will be achieved; identify smart growth areas; include development of implementing ordinances, such as zoning and land division ordinances; are projected to be completed within 30 months of the grant award; and provide opportunities for public participation throughout the planning process.

This bill creates a seventh preference element for DOA to evaluate in awarding grants, which is the local government's planning efforts that include consideration of traditional neighborhood development. In addition, any local government awarded a grant by DOA for planning activities must consider, as part of the planning activities, whether an area considered for traditional neighborhood development is one of specified areas and whether making the area a traditional neighborhood development would result in a reduction of travel, energy use, or emissions of greenhouse gases.

MODEL PARKING ORDINANCE

This bill requires the University of Wisconsin-Extension (UW-Extension) to develop a model parking ordinance that includes market pricing methods for on-street parking and preferred parking opportunities for vehicles with relatively low emissions of greenhouse gases. The UW-Extension must appoint and convene an advisory committee and consult the advisory committee in developing the model ordinance. The UW-Extension must also evaluate current practices with respect to minimum parking space requirements for public buildings. Upon completing the model ordinance, the UW-Extension must make it publicly available and provide it to organizations representing local governments.

SURFACE TRANSPORTATION PLANNING TO REDUCE GREENHOUSE GAS EMISSIONS

Under current law, DOT may expend state and federal funds for transportation planning relating to highways, mass transit, railroads, and any other transportation mode. To the extent practicable, local governments, including regional planning commissions, must follow DOT's recommendations relating to transportation. DOT has various other responsibilities relating to studying and planning, and assisting local governments in planning, transportation systems in this state.

This bill requires DOT, in consultation with DNR, to establish statewide goals for reducing greenhouse gas emissions from surface transportation that will contribute to achieving the state's overall statewide greenhouse gas emission reduction goals. DOT must, in consultation with DNR, DOA, the University of Wisconsin System, and Metropolitan Planning Organizations (MPOs), identify strategies for reducing greenhouse gas emissions from surface transportation and develop methods and procedures for preparing multimodal transportation plans and transportation improvement programs that incorporate these strategies. Beginning approximately two years after the effective date of the bill, DOT must, to the extent practicable, use these methods and procedures in preparing, and incorporate these strategies into, its long-range statewide transportation plans and statewide transportation improvement programs. By July 1, 2013, and at least every four years thereafter, DOT must assess its progress in achieving its greenhouse gas emission reduction goals and must report its findings to DNR.

The bill also requires each MPO in this state, in consultation with DOT and consistent with the goals established by DOT, to establish goals for reducing greenhouse gas emissions from surface transportation in the MPO's planning area. Beginning approximately two years after the effective date of the bill, each MPO must, to the extent practicable, use the methods and procedures developed by DOT in preparing, and incorporate the strategies developed by DOT into, its transportation plans and transportation improvement programs for its planning area. By March 1, 2013, and at least every four years thereafter, each MPO must report to DOT its strategies for reducing greenhouse gas emissions from surface transportation, the status of its implementation of these strategies, and its progress in achieving its greenhouse gas emission reduction goals. In addition, DOT must assess the progress of MPOs in achieving their greenhouse gas emission reduction goals and report its findings to DNR. DOT may not provide financial assistance to an MPO unless the MPO has made a good faith effort to use the methods and

procedures developed by DOT in preparing, and incorporate the strategies developed by DOT into, its transportation plans and transportation improvement programs for its planning area.

ENVIRONMENTAL EVALUATIONS FOR TRANSPORTATION PROJECTS

This bill requires DOT, in preparing an environmental assessment or environmental impact statement for a transportation project, to include an evaluation of the greenhouse gas emissions and energy use that will result from the project (emission and energy evaluation). If DOT is also considering any alternative to the project, DOT must prepare an emission and energy evaluation for each alternative. In performing any cost-benefit analysis related to a project for which an emission and energy evaluation is required, DOT must consider the monetary value of the greenhouse gas emissions and energy use that will result from the project, calculated according to rules that DOT is required under the bill to promulgate. The bill specifies certain factors that must be considered in any emission and energy evaluation. The bill also requires DOT, in consultation with DNR, to appoint a technical advisory committee to make recommendations to DOT on: the factors to be considered, and the methodology to be used, in preparing emission and energy evaluations; and setting a monetary value for greenhouse gas emissions and energy use.

The bill also requires DOT, as part of its statewide long-range multimodal transportation plan for the 20-year period ending in 2030 (Connections 2030 plan), to consider greenhouse gas emissions and energy use in identifying, prioritizing, evaluating, or assessing transportation facility or service needs for the statewide transportation system. DOT must continue to include these considerations in any revision, modification, or update of the Connections 2030 plan and in any other statewide long-range multimodal transportation plan.

ENGINE IDLING

Under current law, a "motor truck" is defined as a motor vehicle designed, used, or maintained primarily for the transportation of property. "Truck tractors" and "road tractors" are motor vehicles designed and used for drawing other vehicles. Also under current law, traffic regulations generally apply only on highways.

This bill prohibits the operator of a motor truck, truck tractor, or road tractor (truck) from allowing the primary propulsion engine of the vehicle to idle for more than five minutes in any 60 minute period unless: 1) the truck is forced to remain motionless because of traffic conditions; 2) the outdoor temperature is below ten degrees, or above 90 degrees, Fahrenheit; 3) the medical needs of the operator or a passenger require the use of equipment that is powered from the truck's primary propulsion engine; 4) it is necessary to power equipment needed for loading or unloading property; 5) it is necessary to regenerate an emission filtration device on the truck; 6) ~~performing~~ maintenance procedures, including repair, on the truck; or 7) the truck contains a heavy-duty highway diesel engine that complies with certain air pollutant emission standards. This idling prohibition applies on or off a highway. The operator of a truck who violates this prohibition may be required to forfeit not less than \$20 nor more than \$40 for the first offense, not less than \$100 nor more than

are being performed

\$500 for the second conviction within a year, and not less than \$500 nor more than \$1,000 for the third or subsequent conviction within a year.

The bill also requires DNR to study ways to reduce greenhouse gas emissions from the idling of other kinds of engines.

ENERGY EFFICIENCY AND CONSERVATION IN BUILDINGS

Current law requires Commerce to promulgate an energy efficiency code that sets design requirements for construction and equipment for the purpose of energy conservation in public buildings and places of employment (commercial buildings). Commerce must review the energy conservation code according to a specific schedule and must promulgate rules that change the requirements of the code to improve energy conservation. In conducting its review, Commerce must consider incorporating into the energy conservation code the design requirements from the most current national energy efficiency design standards, including the International Energy Conservation Code (IECC) or another energy efficiency code that is generally accepted and used by engineers and the construction industry.

This bill requires Commerce to base the energy conservation code for commercial buildings on the standards in the IECC or in another generally accepted code that provides at least as great an energy conservation benefit as the IECC provides. Commerce may deviate from the IECC or other generally accepted code by setting less strict standards if specific conditions exist in this state that make application of the IECC or other generally accepted code unreasonably burdensome. In that case, the different standards must provide the greatest energy conservation benefits that are consistent with the specific conditions. Commerce may also promulgate rules that have stricter standards than those in the IECC or another generally accepted energy conservation code if Commerce considers certain factors, including the cost of complying with the stricter standards.

Current law also requires Commerce, in promulgating rules that establish standards for the construction of one- and two-family dwellings, to take energy conservation into account. This bill requires Commerce to promulgate an energy efficiency code by rule for one- and two-family dwellings. The bill requires Commerce to base the code upon the IECC or another generally accepted energy conservation code using the same criteria that Commerce must use in promulgating an energy efficiency code for commercial buildings.

The bill also requires Commerce to promulgate rules establishing energy conservation standards for agricultural facilities. The bill requires that the rules define an "agricultural facility" to include a barn and a milking parlor. The bill also requires Commerce to consult with the Department of Agriculture, Trade and Consumer Protection (DATCP) before promulgating the rules.

The bill, in addition to requiring Commerce to promulgate rules establishing mandatory energy conservation standards for commercial buildings, requires Commerce to promulgate rules establishing voluntary design standards for the purpose of further reducing the environmental impact of constructing, maintaining, and using public buildings and places of employment. The bill requires Commerce to base the voluntary design standards on standards jointly established by specified organizations or on other generally accepted standards and requires that the

standards provide greater energy conservation benefits than those contained in the energy conservation code for commercial buildings.

CONSUMER ELECTRONICS EFFICIENCY REQUIREMENTS

This bill prohibits the sale, or offer for sale, of certain consumer electronic devices if the devices use more than a specified amount of electricity in "standby mode" (connected to a power source and not producing video or audio output signals, but able to be switched into another mode with a remote control or an internal signal).

Under the bill, no person may sell a compact audio device that uses more than four watts in standby mode (or two watts, if the device has a permanently illuminated clock) or a television or digital versatile disc (DVD) player or recorder that uses more than three watts in standby mode. Violators are subject to a forfeiture up to \$100 for each device sold or offered for sale.

BOILER INSPECTION REQUIREMENTS

This bill also establishes inspection requirements for persons who own industrial boilers. The bill requires that most industrial boilers be inspected on an annual basis to assess the boiler's energy efficiency. The owner of the boiler must take action based upon the results of the inspection to maximize the boiler's energy efficiency and to minimize the emission of greenhouse gasses from the boiler. The bill exempts certain industrial boilers from these inspection requirements including industrial boilers used by public utilities and cooperative organizations that generate or furnish electric energy to their members.

GREENHOUSE GAS EMISSIONS BY MAJOR STATE AGENCIES

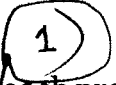
Currently, with certain exceptions, DOA must ensure that the specifications for each state construction project require the use of recovered and recycled materials to the extent that such use is technically and economically feasible. With certain exceptions, DOA must also prescribe and enforce energy efficiency standards for energy consuming equipment that is installed in connection with state construction projects. The standards must meet or exceed specified statutory standards. The Building Commission must also apply these standards when entering into certain leases on behalf of the state. Current law also requires the commission to employ a design for cogeneration of steam and electricity in state-owned central steam generating facilities unless the commission determines that such a design is not cost-effective and technically feasible. Currently, the commission must also ensure that state-operated steam generating facilities are designed to allow the use of biomass fuels and refuse-derived fuels to the greatest extent cost-effective and technically feasible. In addition, under current law, the commission is prohibited from approving the construction or major remodeling of or addition to any state building or structure unless the building or structure makes maximum practical use of passive solar energy system design elements and, unless not technically or economically feasible, incorporates an active solar energy system or photovoltaic solar energy system or other renewable energy system.



This bill directs nine state agencies (the departments of administration, agriculture, trade and consumer protection, corrections, health services, natural resources, public instruction, transportation, and veterans affairs, and the Board of

Regents of the University of Wisconsin System) to: 1) prepare an analysis that estimates the amount of greenhouse gas emissions that are attributable to activities of the agency in calendar years 2005 and 2010; 2) establish achievable goals for reduction of greenhouse gas emissions identified in its analysis that must include a reduction by January 1, 2020, to an annual amount that is 22 percent lower than the annual amount attributable to the agency in 2005; and 3) develop a plan for achieving the goals by means of specific actions to be taken and completed by January 1, 2020. The plan must address nine specified means of reducing greenhouse gas emissions. The bill requires each of these agencies to make a biennial report to DOA concerning its progress toward achieving or its success in maintaining adherence to its goals. The bill then directs DOA to prepare a biennial report summarizing the reports it receives from these agencies and submit the report to DNR.

The bill also directs DOA to prescribe guidelines and protocols for use by these agencies in estimating the amount of greenhouse gas emissions that are attributable to activities of the agency, establishing goals for reducing those emissions, and developing plans to achieve the goals. The bill also directs DOA to establish energy efficiency goals for these agencies designed to ensure that, by 2030, the overall energy use by all state agencies is reduced to a level that is 30 percent lower than the overall use by those agencies in 2005. The bill further directs DOA to establish goals for each of these agencies that are designed to ensure that overall use by all agencies of energy derived from biomass is at least equivalent to an amount that gradually increases from 10 percent in 2010 to 25 percent in 2025.

DESIGN STANDARDS FOR STATE BUILDINGS

 This bill directs DOA to ensure that the plans and specifications for each project to construct or expand a state building; each project to repair, renew, or renovate an existing state building that affects at least 35,000 square feet of enclosed space; and each project that affects the envelope or the heating, ventilation, or air conditioning system of an existing state building conform to the voluntary standards promulgated by Commerce under ~~this~~ bill unless DOA or the Building Commission is required by another law to apply a stricter standard for the plans or specifications. The bill also directs DOA to ensure that the plans and specifications for each other project to construct a state building or to construct, repair, renew, renovate, or expand a state building conform to the voluntary standards promulgated by Commerce if DOA determines that compliance is technically feasible and cost effective. The requirement for other projects does not apply if DOA or the Building Commission is required under another law to apply a stricter standard for the plans and specifications.

  *the*

ENERGY EFFICIENCY ASSISTANCE BY OFFICE OF ENERGY INDEPENDENCE

The bill directs the Office of Energy Independence (OEI) to provide information to school districts regarding opportunities to minimize expenses and environmental impacts through the modification of facilities and operational practices that maximize the efficiency of energy use, maximize the use of renewable energy resources, and otherwise minimize emissions of greenhouse gases. The bill also directs OEI to encourage and assist school districts in voluntarily conducting the

analyses, establishing the goals and developing plans to achieve the goals required of the nine state agencies under the bill, and to report to DOA and DNR biennially on the progress made by school districts in so doing.

The bill directs DNR to provide assistance to the nine state agencies that must develop greenhouse gas emission reduction plans in identifying opportunities to reduce emissions through development of motor vehicle idling reduction techniques.

No specific penalty applies to violations, but all provisions of law resulting from enactment of the bill are enforceable through the court system.

LEVY LIMIT EXCEPTION

Under current law, local levy limits are applied to the property tax levies that are imposed in December 2009 and 2010. Current law prohibits any city, village, town, or county (political subdivision) from increasing its levy by a percentage that exceeds its "valuation factor," which is defined as the greater of either 3 percent or the percentage change in the political subdivision's equalized value due to new construction, less improvements removed. In addition, the calculation of a political subdivision's levy does not include any tax increment that is generated by a tax incremental district.

Current law contains a number of exceptions to the levy limit. These exceptions include amounts that may be levied for the following purposes or because of the following situations: political subdivisions that transfer the provision of services to another governmental unit; cities or villages that annex town territory; political subdivisions that levy to pay debt service on debt authorized on or after July 1, 2005; a levy for certain charges assessed by a joint fire department; a county levy that relates to a county children with disabilities education board, bridge and culvert repairs, payments to public libraries, and a countywide emergency medical system; and the amount a village levies to pay for police services, but only for the year after the year in which a town, which did not have a police force, changed to village status.

This bill creates another exception to the levy limit that would otherwise apply. Under the bill, the levy limit does not apply to any amount levied by a political subdivision to pay for energy efficiency measures and renewable energy products that reduce or avoid energy costs, and such amount may not be included in the calculation of the base amount of any year's levy. The bill also requires DOA to promulgate rules to facilitate the implementation of this provision.

ENERGY CROP RESERVE PROGRAM

This bill directs DATCP to establish and administer a program to subsidize the production of crops to be used for the production of fuel or energy. A person may participate in the program if the person owns or leases eligible land in this state and enters into a contract, with a term of up to ten years, with DATCP to grow and harvest eligible crops. Eligible crops include herbaceous perennials or short rotation woody crops. "Short rotation woody crop" is defined as a woody crop, including willows and poplars, grown using agronomic practices. "Eligible land" is defined in the bill as land that is used for or susceptible for use for growing eligible crops. The following lands are not eligible for enrollment in the program: land owned by a municipality; federally owned land; land enrolled in certain federal agricultural programs; and land in native sod on the effective date of the bill. DATCP must designate, by rule,

crops ineligible for payments under the program. A contract entered into under the program may be renewed. Further, a person may enter into more than one contract with DATCP under the program.

A person participating in the program who grows eligible crops in compliance with sustainable planting and harvesting requirements, performance standards, and conservation practices established by DATCP, in consultation with DNR, may receive the following payments over the term of the contract: 1) a percentage of the cost to establish the energy crops; 2) income replacement payments related to income lost during the years the energy crops are not yet ready for harvest; and 3) production payments for each ton of energy crop harvested and used to produce energy or fuel.

DATCP must establish, by rule, the amount a person participating in the program may receive under the program in each payment category and over the term of the contract. The rules may vary the amount or percentage of each payment according to a number of variables, including the cost to produce the energy crop, the amount of energy or fuel produced from the energy crop, the agricultural or silvicultural practices employed by the participating person, and the extent to which the production and harvesting practices minimize life-cycle greenhouse gas emissions and maximize carbon sequestration. DATCP must annually report to DNR and DOA on the acres of land enrolled in the program, the number of tons and types of energy crops harvested under the program, and the costs of the program.

This bill also requires DATCP and DNR to study whether financial incentives provided to bioenergy feedstock producers by state and federal programs, in effect on the effective date of the bill, are adequate to prompt the sustainable production of a supply of biomass that will significantly contribute to the achievement of state greenhouse gas emission reduction goals. The bill requires DATCP and DNR to work with OEI, the University of Wisconsin System, the PSC, and representatives of interested parties, including natural resources organizations, in the preparation of the study.

If DATCP and DNR determine, as a result of the study, that current state and federal financial incentives are not adequate, DATCP and DNR must, by July 1, 2013, prepare and submit to the Climate Change Coordinating Council recommended changes to current law and proposed new legislation to induce bioenergy feedstock producers to sustainably increase their production of biomass in order to achieve state greenhouse gas emission reduction goals. DATCP and DNR must consider, as part of the recommendations, methods to reduce financial risk to bioenergy feedstock producers and the expansion of programs that award credits to producers who reduce greenhouse gas emissions or use renewable resources in place of fossil fuels.

FORESTRY

Under current law, DNR awards grants to certain eligible private forest land owners to develop and implement forest stewardship management plans and to award grants to groups of interested parties for projects to control invasive plants in weed management areas. Each grant recipient must provide a matching contribution in an amount determined by DNR for that particular grant based on criteria promulgated by DNR by rule.

This bill requires DNR to promulgate rules that describe those forest stewardship management plan practices that are eligible for funding under the grant program, including establishing and maintaining trees; implementing measures to protect those trees from damage caused by deer; and implementing measures that promote forest health, including insect and disease control. The bill also limits the matching contribution required to be made by a grant recipient who is awarded a grant to plant and maintain trees to not more than 25 percent of the costs incurred in planting and maintaining the trees, subject to the availability of funds. *that portion of the grant that is for*

The bill requires DNR to provide technical assistance to promote sustainable forest management that increases the long term storage of carbon (carbon sequestration) in forests owned by private persons and to assist them to generate marketable credits that can be used by purchasers to satisfy limits on emissions of greenhouse gases. The bill requires DNR to produce standards and practices for monitoring and measuring carbon sequestration by forests. The bill also requires DNR to attempt to identify owners of private forest land who do not participate in forestry programs, and to notify those owners about information and technical assistance available from DNR concerning carbon sequestration and sustainable forest management.

AIR POLLUTION PERMITTING FOR SOURCES REDUCING GREENHOUSE GAS EMISSIONS

Under current law, a person must generally obtain an air pollution construction permit from DNR before constructing or modifying a stationary source of air pollution. Permitting and other requirements vary depending on whether a stationary source is considered a major source or a minor source. The determination of whether a source is a major source is based on provisions of the federal Clean Air Act. Currently, EPA delegates to DNR the authority to administer the federal Clean Air Act in this state.

Current law requires DNR to assess air pollution permit obligations for stationary sources and to implement measures, consistent with state and federal law, to lessen those obligations, such as by expanding the availability of simplified permitting processes.

This bill requires DNR to implement measures to lessen air pollution permit obligations for the construction or modification of a stationary source for which a major source construction permit is not required if the construction or modification would significantly reduce emissions of greenhouse gasses.

INDUSTRIAL DEVELOPMENT BONDS

Under federal law, income earned on certain revenue bonds issued by a state or municipality may be exempt from federal income taxes. Federal law imposes a limit, or volume cap, on the total aggregate dollar amount of certain tax-exempt revenue bonds that may be issued by eligible entities in a state in any calendar year. Under current law, Commerce has established by rule and administers a system for the allocation of federal income tax-exempt revenue bonding authority among municipalities, the Wisconsin Housing and Economic Development Authority, the Wisconsin Health and Educational Facilities Authority, and the Wisconsin Aerospace Authority.

the Current law authorizes municipalities to issue industrial development revenue bonds for a variety of purposes, including to finance the costs of manufacturing facilities, hospitals, industrial parks, recreational facilities, convention centers and trade centers, pollution control facilities, and sewage and solid and liquid waste disposal facilities systems. If Commerce allocates a portion of the volume cap to a ~~project and~~ industrial development revenue bonds are issued in accordance with state and federal law, industrial development revenue bonds are exempt from federal income tax.

This bill requires Commerce to, by rule, annually dedicate 25 percent of that portion of the volume cap allocated to municipalities to private revenue bonds issued to finance clean energy manufacturing facilities and renewable power generating facilities. Clean energy manufacturing facilities are defined by the bill to include facilities that manufacture energy efficient fixtures or building components, equipment used to produce energy from a renewable resource, and certain advanced drive train vehicles. A renewable power generating facility is defined to mean a facility owned by a person other than a utility or an electric cooperative with equipment to generate its own electricity or energy from a renewable resource. The bill defines a renewable resource as a resource that derives energy from any source other than coal, petroleum products, nuclear power or, with limited exceptions, natural gas. Under the bill, renewable resources include resources deriving power from solar energy, wind energy, geothermal technology, and fuel cell technology.

Commerce may, beginning on September 1 of any year, reallocate any portion of the 25 percent allocated to clean energy manufacturing facilities and renewable power generating facilities for which no revenue bonds have been issued and for which no resolutions authorizing the issuance of a revenue bond have been adopted.

REPORT ON CAP AND TRADE PROGRAM

This bill requires the DNR to report to the legislature and the governor if the federal government establishes, or governors of this state and other midwestern states recommend, a greenhouse gas cap and trade program, which is a program that imposes limits on greenhouse gas emissions and provides for the trading of allowances that may be used to satisfy those limits.

For further information see the *state and local* fiscal estimate, which will be printed as an appendix to this bill.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

- 1 ***-2389/P4.1* SECTION 1.** 15.347 (3) of the statutes is created to read:
- 2 15.347 (3) CLIMATE CHANGE COORDINATING COUNCIL. (a) *Creation; membership.*
- 3 There is created in the department of natural resources a climate change
- 4 coordinating council consisting of the following members:

1 1. The secretary of administration or his or her designee.

2 2. The secretary of natural resources or his or her designee.

3 3. The secretary of commerce or his or her designee.

4 4. The secretary of agriculture, trade and consumer protection or his or her
5 designee.

6 5. The secretary of health services or his or her designee.

7 6. The secretary of transportation or his or her designee.

8 7. The president of the University of Wisconsin System or his or her designee.

9 8. The chairperson of the public service commission or his or her designee.

10 9. The executive director of the office of energy independence or his or her
11 designee.

12 10. One person to represent the governor, appointed to a 4-year term.

13 (b) *Designees.* A person who is authorized under par. (a) to appoint a designee
14 may only appoint a designee who is an employee or appointive officer of the person's
15 agency.

16 ***-3880/P2.1* *-2965/P5.1* SECTION 2.** 16.75 (12) (a) 4. of the statutes is
17 amended to read:

18 16.75 (12) (a) 4. "Renewable resource" has the meaning given in s. ~~196.378 (1)~~
19 ~~(h) 1. or 2. and includes a resource, as defined in s. 196.378 (1) (j), that derives~~
20 ~~electricity from hydroelectric power~~ 196.374 (1) (j).

21 ***-2541/2.1* SECTION 3.** 16.856 of the statutes is created to read:

22 **16.856 Design standards for state buildings.** (1) In this section:

23 (a) "Major construction project" means a project to construct or expand a state
24 building; a project to repair, renew, or renovate an existing state building that affects

1 at least 35,000 square feet of enclosed space; or a project that affects the envelope or
2 heating, ventilation, or air conditioning system of an existing state building.

3 (b) "Minor construction project" means a project to construct, repair, renew,
4 renovate, or expand a state building that is not a major construction project.

5 (2) The department shall ensure that the plans and specifications for each
6 major construction project conform to the design standards promulgated by the
7 department of commerce under s. 101.027 (4) unless the department or the building
8 commission is required by another law to apply a stricter standard for the plans or
9 specifications.

10 (3) The department shall ensure that the plans and specifications for each
11 minor construction project conform to the design standards promulgated by the
12 department of commerce under s. 101.027 (4) if the department determines that
13 compliance is technically feasible and cost effective. This subsection does not apply
14 if the department or the building commission is required by another law to apply a
15 stricter standard for the plans or specifications.

16 ***-2724/P6.1* SECTION 4.** 16.954 of the statutes is created to read:

17 **16.954 Greenhouse gas emission; energy use.** (1) In this section:

18 (a) "Agency" has the meaning given in s. 16.70 (1e).

19 (b) "Biomass" has the meaning given in s. 196.374 (1) (am).

20 (c) "Greenhouse gas" has the meaning given in s. 299.03 (1) (d).

21 (2) The department shall prescribe guidelines and protocols for use by agencies
22 to which s. 299.045 applies in:

23 (a) Estimating the amount of greenhouse gas emissions that are attributable
24 to activities of each of those agencies under s. 299.045 (2).

(b) Establishing achievable goals for the reduction in greenhouse gas emissions that are attributable to each of those agencies under s. 299.045 (3) (a).

(c) Developing plans to achieve the goals established under s. 299.045 (3) (a).

(3) The department shall assist agencies to which s. 299.045 applies in complying with s. 299.045 with regard to energy use in facilities used by the agencies.

(4) The department shall establish a schedule of energy efficiency goals for each agency to which s. 299.045 applies that are designed to ensure that, by 2030, the overall energy use by all agencies is reduced to a level that is 30 percent lower than the overall energy use by all agencies in 2005.

(5) The department shall establish goals for each agency to which s. 299.045 applies that are designed to ensure that overall use by all agencies of energy derived from biomass sources is at least equivalent to the following percentages by the dates specified:

(a) Ten percent by 2010.

(b) Fifteen percent by 2015.

(c) Twenty percent by 2020.

(d) Twenty-five percent by 2025.

(6) No later than July 1 of each odd-numbered year, the department of administration shall prepare and submit to the department of natural resources a report that summarizes the ^{reports} ~~report~~ received under s. 299.045 (5) in that year.

***-2724/P6.2* SECTION 5.** 16.956 (1) (bk) and (bn) and (3) (f) to (i) of the statutes are created to read:

16.956 (1) (bk) "Biomass" has the meaning given in s. 196.374 (1) (am).

(bn) "Greenhouse gas" has the meaning given in s. 299.03 (1) (d).

1 **(3) (f)** Assist agencies to which s. 299.045 applies in complying with s. 299.045
2 with regard to the use of transportation fuels by the agencies and their officers,
3 employees, and agents.

4 **(g)** Provide information to school districts regarding opportunities to minimize
5 expenses and environmental impacts through the modification of facilities and
6 operational practices that maximize the efficiency of energy use, maximize the use
7 of renewable energy resources, and otherwise minimize emissions of greenhouse
8 gases.

9 **(h)** Encourage and assist school districts to voluntarily conduct the analyses
10 described in s. 299.045 (2), establish achievable goals for the reduction of greenhouse
11 gas emissions identified in their analyses as provided in s. 299.045 (3), and develop
12 and implement a plan for achieving their goals by means of specific actions to be
13 taken by specific dates.

14 **(i)** No later than July 1 of each odd-numbered year, report to the departments
15 of administration and natural resources regarding the voluntary participation of
16 school districts in the establishment of goals and the development and
17 implementation of plans for achieving goals under par. (h), the accomplishments of
18 school districts in implementing those plans, and the verifiable reductions of energy
19 use, greenhouse gas emissions, and school district expenses attributable to
20 implementation of those plans.

21 ***-2389/P4.2* SECTION 6.** 16.956 (3) (j) of the statutes is created to read:

22 16.956 **(3) (j)** Annually compile a report containing statistics on energy use and
23 production in this state and make the report available on its Internet site.

24 ***-3306/P2.1* SECTION 7.** 16.965 (1) (a) of the statutes is renumbered 16.965

25 (1) (am).

1 ***-3306/P2.2* SECTION 8.** 16.965 (1) (ag) of the statutes is created to read:

2 16.965 (1) (ag) "Greenhouse gas" has the meaning given in s. 299.03 (1) (d).

3 ***-3306/P2.3* SECTION 9.** 16.965 (1) (c) of the statutes is created to read:

4 16.965 (1) (c) "Traditional neighborhood development" has the meaning given
5 in s. 66.1027 (1) (c).

6 ***-3306/P2.4* SECTION 10.** 16.965 (2) of the statutes is amended to read:

7 16.965 (2) ~~From~~ Subject to sub. (5), from the appropriations under s. 20.505 (1)
8 (cm) and (if), the department may provide grants to local governmental units to be
9 used to finance the cost of planning activities, including contracting for planning
10 consultant services, public planning sessions and other planning outreach and
11 educational activities, or for the purchase of computerized planning data, planning
12 software or the hardware required to utilize that data or software. The department
13 shall require any local governmental unit that receives a grant under this section to
14 finance a percentage of the cost of the product or service to be funded by the grant
15 from the resources of the local governmental unit. The department shall determine
16 the percentage of the cost to be funded by a local governmental unit based on the
17 number of applications for grants and the availability of funding to finance grants
18 for the fiscal year in which grants are to be provided. A local governmental unit that
19 desires to receive a grant under this subsection shall file an application with the
20 department. The application shall contain a complete statement of the expenditures
21 proposed to be made for the purposes of the grant. No local governmental unit is
22 eligible to receive a grant under this subsection unless the local governmental unit
23 agrees to utilize the grant to finance planning for all of the purposes specified in s.
24 66.1001 (2).

25 ***-3306/P2.5* SECTION 11.** 16.965 (4) (g) of the statutes is created to read:

1 16.965 (4) (g) Planning efforts that include consideration of traditional
2 neighborhood development.

3 ***-3306/P2.6* SECTION 12.** 16.965 (5) of the statutes is created to read:

4 16.965 (5) The department shall require any local governmental unit that
5 receives a grant under this section for planning activities to consider, as part of the
6 planning activities, all of the following:

7 (a) Whether any area considered for traditional neighborhood development is
8 any of the following:

9 1. Surrounded by or adjacent to existing development.

10 2. Within a sewer service territory in the sewer service area provisions of an
11 areawide water quality management plan under s. 283.83 approved by the
12 department of natural resources.

13 3. An area consisting primarily of blighted properties.

14 4. An area that meets other criteria, specified by the department by rule,
15 designed to ensure that the project reduces greenhouse gas emissions.

16 (b) With respect to the transportation element of the planning activities,
17 whether making any area a traditional neighborhood development would result in
18 a reduction of travel, energy use, or emissions of greenhouse gases.

19 ***-3192/P4.1* SECTION 13.** 20.115 (4) (d) of the statutes is created to read:

20 20.115 (4) (d) *Energy crop reserve program; payments.* The amounts in the
21 schedule for payments under the energy crop reserve program under s. 93.47.

22 ***-3880/P2.2* *-2965/P5.2* SECTION 14.** 20.155 (3) (s) of the statutes is
23 repealed.

24 ***-3880/P2.3* *-2965/P5.3* SECTION 15.** 25.96 of the statutes is amended to
25 read:

1 **25.96 Utility public benefits fund.** There is established a separate
2 nonlapsible trust fund designated as the utility public benefits fund, consisting of
3 low-income assistance fees received under s. 16.957 (4) (a) and (5) (b) 2. ~~and all~~
4 ~~moneys received under s. 196.374 (3) (b) 4.~~

5 ***-3098/P2.1* SECTION 16.** 26.38 (2m) (b) of the statutes is renumbered 26.38
6 (2m) (b) 1. and amended to read:

7 26.38 (2m) (b) 1. ~~Each~~ Except as provided under subd. 2., each recipient of a
8 grant under this section shall provide a matching contribution in an amount to be
9 determined by the department for that particular grant based on criteria
10 promulgated by rule under sub. (3). The matching contribution may be in the form
11 of money or in-kind goods or services or both.

12 ***-3098/P2.2* SECTION 17.** 26.38 (2m) (b) 2. of the statutes is created to read:

13 26.38 (2m) (b) 2. Each recipient of a grant to implement a forest stewardship
14 management plan that requires the recipient to plant and maintain trees ^{includes a requirement that} ^{If} shall
15 provide a matching contribution of not more than 25 percent of that portion of the grant that is for ^{the recipient} the cost of planting
16 and maintaining the trees, subject to the availability of funds.

17 ***-3098/P2.3* SECTION 18.** 26.38 (3) (d) of the statutes is created to read:

18 26.38 (3) (d) A description of the forest stewardship management plan
19 practices that are eligible for funding under this section. Eligible practices shall
20 include establishing and maintaining trees; implementing measures to protect those
21 trees from damage caused by deer; and implementing measures that promote forest
22 health, including insect and disease control.

23 ***-3098/P2.4* SECTION 19.** 26.42 of the statutes is created to read:

24 **26.42 Carbon sequestration in forests. (1) DEFINITIONS.** In this section:

25 (a) "Cap and trade program" has the meaning given in s. 299.04 (1) (a).

1 (am) "Carbon sequestration" has the meaning given in s. 299.03 (1) (bm).

2 (b) "Greenhouse gas" has the meaning given in s. 299.03 (1) (d).

3 (c) "Sustainable forestry" has the meaning given in s. 28.04 (1) (e).

4 **(2) STANDARDS AND PRACTICES.** (a) Subject to par. (b), the department, in
5 cooperation with the department of agriculture, trade and consumer protection, the
6 University of Wisconsin-Extension, and the council on forestry, shall specify
7 standards and practices for monitoring and measuring carbon sequestration by
8 forests, including standards and practices for voluntary carbon accounting on
9 private forest lands. The department shall design the standards and practices to
10 conform with regional or national systems for trading credits for greenhouse gas
11 emissions.

12 (b) Paragraph (a) does not apply until a regional or national cap and trade
13 program that applies to any person in this state is enacted or adopted.

14 **(3) TECHNICAL ASSISTANCE.** The department, in cooperation with the
15 department of agriculture, trade and consumer protection and the University of
16 Wisconsin-Extension, shall provide technical assistance to promote the use of
17 sustainable forestry practices that increase carbon sequestration by persons who
18 own private forest lands and to assist them, through the use of those practices, to
19 generate credits that may be used to satisfy limits on emissions of greenhouse gases
20 and to sell the credits.

21 **(4) IDENTIFICATION AND NOTIFICATION OF OWNERS OF PRIVATE FOREST LANDS.** Using
22 the land cover database developed under s. 299.03 (5) (b) 3., county land records,
23 geographic information systems, and other methods, the department shall identify,
24 to the extent practicable, persons who own private forest lands and who do not
25 participate in forestry programs administered by the department. The department

1 shall notify persons identified under this subsection about information and technical
2 assistance that is available from the department concerning carbon sequestration
3 and sustainable forest management.

4 ***-3306/P2.7* SECTION 20.** 36.605 of the statutes is created to read:

5 **36.605 Extension's model parking ordinance.** (1) The extension, in
6 consultation with the advisory committee appointed under sub. (3), shall develop a
7 model market-pricing parking ordinance. The ordinance shall include market
8 pricing methods for on-street parking and preferred parking opportunities for
9 vehicles with relatively low emissions of greenhouse gases, as defined in s. 299.03 (1)
10 (d). In developing this model ordinance, the extension shall evaluate current
11 practices with respect to mandatory minimum parking space requirements for
12 public buildings.

13 (2) Upon completion of the model ordinance under sub. (1), the extension shall
14 make the model ordinance publicly available to interested persons and shall provide
15 the model ordinance to organizations representing local units of government in this
16 state.

17 (3) The extension shall appoint and convene an advisory committee to provide
18 guidance to the extension in the development of the model ordinance under sub. (1).
19 The provisions of s. 15.04 (1) (c) shall apply to the members of the advisory committee
20 as if the committee had been created and appointed by the board.

21 ***-3772/P2.1* SECTION 21.** 66.0309 (title) of the statutes is amended to read:

22 **66.0309 (title) ~~Creation, organization, powers and duties of regional~~**
23 **Regional planning commissions; metropolitan planning organizations.**

24 ***-3772/P2.2* SECTION 22.** 66.0309 (17) of the statutes is created to read:

25 **66.0309 (17) METROPOLITAN PLANNING ORGANIZATIONS.** (a) In this subsection:

- 1 1. "Department" means the department of transportation.
- 2 2. "Greenhouse gas" has the meaning given in s. 299.03 (1) (d).
- 3 3. "Metropolitan planning organization" has the meaning given in 23 USC 134
- 4 (b) (2).
- 5 4. "Planning area" has the meaning given for "metropolitan planning area" in
- 6 23 USC 134 (b) (1), but includes only those portions of a metropolitan planning area
- 7 within this state.
- 8 (b) Each metropolitan planning organization in this state, in consultation with
- 9 the department, shall establish goals for reducing greenhouse gas emissions from
- 10 surface transportation in its planning area that are consistent with the goals
- 11 established by the department under s. 85.0215 (2). After establishing these goals,
- 12 the metropolitan planning organization shall revise the goals whenever appropriate.
- 13 (c) Beginning on the first day of the 24th month beginning after the effective
- 14 date of this paragraph [LRB inserts date], each metropolitan planning
- 15 organization in this state, to the extent practicable, shall do all of the following:
- 16 1. Use the methods and procedures developed by the department under s.
- 17 85.0215 (3) (b) in preparing its transportation plans and transportation
- 18 improvement programs for its planning area.
- 19 2. Incorporate the strategies developed by the department under s. 85.0215 (3)
- 20 (a) into its transportation plans and transportation improvement programs for its
- 21 planning area.
- 22 (d) By March 1, 2013, and at least every 4 years thereafter, each metropolitan
- 23 planning organization in this state shall report to the department, in the form
- 24 specified by the department, all of the following:

1 1. The strategies for reducing greenhouse gas emissions from surface
2 transportation that it included in its most recent transportation plan and
3 transportation improvement program.

4 2. The status of the implementation of the strategies specified in subd. 1.

5 3. Its progress in achieving its goals under par. (b).

6 ***-3227/2.1* SECTION 23.** 66.0602 (2) of the statutes, as affected by 2009
7 Wisconsin Act 28, is amended to read:

8 66.0602 (2) LEVY LIMIT. Except as provided in subs. (3), (4), and (5), no political
9 subdivision may increase its levy in any year by a percentage that exceeds the
10 political subdivision's valuation factor. The base amount in any year, to which the
11 limit under this section applies, shall be the maximum allowable levy for the
12 immediately preceding year. In determining its levy in any year, a city, village, or
13 town shall subtract any tax increment that is calculated under s. 59.57 (3) (a), 60.85
14 (1) (L), or 66.1105 (2) (i). The base amount in any year, to which the limit under this
15 section applies, may not include any amount to which sub. (3) (e) 8. or 9. applies.

16 ***-3227/2.2* SECTION 24.** 66.0602 (3) (e) 9. of the statutes is created to read:

17 66.0602 (3) (e) 9. The amount that a political subdivision levies in that year to
18 pay for energy efficiency measures and renewable energy products that result in the
19 avoidance of, or reduction in, energy costs. The department of administration shall
20 promulgate rules to facilitate the implementation of this subdivision by creating
21 standards and definitions for terms including energy efficiency measures, renewable
22 energy products, and energy costs.

23 ***-3880/P2.4* *-2948/P4.1* SECTION 25.** 76.28 (1) (gm) 3. of the statutes is
24 created to read:

1 76.28 (1) (gm) 3. A nonutility nuclear power plant, as defined in s. 196.491 (1)
2 (i), that has a total power production capacity of at least 50 megawatts. This
3 subdivision takes effect on the date specified in the notice published under s. 196.493
4 (3) (b).

5 ***-3880/P2.5* *-2965/P5.4* SECTION 26.** 77.54 (30) (a) 1m. of the statutes is
6 amended to read:

7 77.54 (30) (a) 1m. Biomass, as defined in s. ~~196.378 (1) (ar)~~ 196.374 (1) (am),
8 that is used for fuel sold for residential use.

9 ***-3880/P2.6* *-2965/P5.5* SECTION 27.** 79.005 (1b) of the statutes is amended
10 to read:

11 79.005 (1b) "Alternative energy resource" means a renewable resource, as
12 defined in s. ~~196.378 (1) (h)~~ 196.374 (1) (j); garbage, as defined in s. 289.01 (9); or
13 nonvegetation-based industrial, commercial, or household waste.

14 ***-3880/P2.7* *-2966/P5.4* SECTION 28.** 79.005 (4) (d) of the statutes is
15 amended to read:

16 79.005 (4) (d) Replacing steam generating equipment at a combustion-based
17 renewable facility, as defined in s. 196.378 ~~(1)~~ (1r) (g), that is located in this state, to
18 increase efficiency or capacity, if the facility remains a combustion-based renewable
19 facility, as defined in s. 196.378 ~~(1)~~ (1r) (g), after replacing the equipment.

20 ***-3880/P2.8* *-2948/P4.2* SECTION 29.** 79.04 (6) (a) of the statutes is
21 amended to read:

22 79.04 (6) (a) Annually, beginning in 2005, for production plants that begin
23 operation after December 31, 2003, or begin operation as a repowered production
24 plant after December 31, 2003, except as provided in sub. (4m), the department of
25 administration, upon certification by the department of revenue, shall distribute

1 payments from the public utility account, as determined under par. (b), to each
2 municipality and county in which a production plant is located, if the production
3 plant has a name-plate capacity of at least one megawatt and is used by a light, heat,
4 or power company assessed under s. 76.28 (2) or 76.29 (2), except property described
5 in s. 66.0813, unless the production plant is owned or operated by a local
6 governmental unit located outside of the municipality; by a qualified wholesale
7 electric company, as defined in s. 76.28 (1) (gm); by a wholesale merchant plant, as
8 defined in s. 196.491 (1) (w); by an electric cooperative assessed under ss. 76.07 and
9 76.48, respectively; ~~or~~ by a municipal electric company under s. 66.0825; or,
10 beginning on the date specified in the notice published under s. 196.493 (3) (b), by
11 a nonutility nuclear power plant, as defined in s. 196.491 (1) (i).

12 ***-3306/P2.8* SECTION 30.** 84.185 (1) (br) and (cr) of the statutes are created
13 to read:

14 84.185 (1) (br) "Greenhouse gas" has the meaning given in s. 299.03 (1) (d).

15 (cr) "Traditional neighborhood development" has the meaning given in s.
16 66.1027 (1) (c).

17 ***-3306/P2.9* SECTION 31.** 84.185 (2) (b) 15. of the statutes is created to read:
18 84.185 (2) (b) 15. Whether the improvement is a qualifying improvement under
19 sub. (2m).

20 ***-3306/P2.10* SECTION 32.** 84.185 (2) (d) of the statutes is created to read:
21 84.185 (2) (d) The secretary may give greater weight to the criterion under par.
22 (b) 15. than to the other criteria under par. (b) in determining whether to approve an
23 improvement.

24 ***-3306/P2.11* SECTION 33.** 84.185 (2m) of the statutes is created to read:

1 84.185 (2m) QUALIFYING IMPROVEMENTS. An improvement is a qualifying
2 improvement for the purposes of subs. (2) (b) 15. and (4) (b) if the improvement will
3 result in a reduction of travel, energy use, or emissions of greenhouse gases or if any
4 of the following applies:

5 (a) The improvement is located in an area that is both designated for traditional
6 neighborhood development in a comprehensive plan adopted under s. 66.1001 and
7 to be developed as a traditional neighborhood development under an ordinance
8 consistent with the model ordinance under s. 66.1027 (2) and any of the following
9 applies:

10 1. The area is surrounded by or is adjacent to existing development.

11 2. The area is within a sewer service territory in the sewer service area
12 provisions of an areawide water quality management plan under s. 283.83 approved
13 by the department of natural resources.

14 3. The area consists primarily of blighted properties.

15 4. The area meets other criteria, specified by the department by rule, designed
16 to ensure that the project reduces greenhouse gas emissions.

17 (b) The political subdivision in which the improvement is located has adopted
18 the design standards under s. 101.027 (4) and the improvement is in an area that is
19 subject to the design standards.

20 (c) All of the following apply:

21 1. The improvement is located in an area that is subject to either a charter
22 under s. 299.83 (7e) issued to an association of entities that includes the political
23 subdivision in which the area is located or a participation contract under s. 299.83
24 (6) entered into by the city, village, town, or county in which the area is located.

1 2. The department of natural resources determines, in consultation with the
2 department of commerce, the department of administration, the public service
3 commission, and the office of energy independence, that implementation of the
4 charter is likely to result in significant reductions in emissions of greenhouse gases
5 or in energy use by public or private entities within the political subdivision.

6 (d) The improvement is located in a political subdivision that participates in
7 tier I under s. 299.83 (3), the area in which the improvement is located is affected by
8 the participation in tier I, and the department of natural resources determines, in
9 consultation with the department of commerce, the department of administration,
10 the public service commission, and the office of energy independence, that the
11 participation in tier I is likely to result in significant reductions in emissions of
12 greenhouse gases or in energy use by public or private entities within the political
13 subdivision.

14 ***-3306/P2.12* SECTION 34.** 84.185 (3) (a) (intro.) of the statutes is amended to
15 read:

16 84.185 (3) (a) (intro.) When awarding a grant under this section, the
17 department shall establish a grant ceiling. Except as provided in par. (b) 2., the grant
18 ceiling shall not be amended after the secretary has approved an application for
19 funding. Except as provided in par. (b) and sub. (4) (b), the grant ceiling shall be the
20 lesser of the following:

21 ***-3306/P2.13* SECTION 35.** 84.185 (4) of the statutes is renumbered 84.185 (4)
22 (a).

23 ***-3306/P2.14* SECTION 36.** 84.185 (4) (b) of the statutes is created to read:

24 84.185 (4) (b) The rules promulgated under this subsection may provide for all
25 of the following with respect to an improvement that is a qualifying improvement

1 under sub. (2m) and that is the subject of an agreement under sub. (7m) between the
2 department and a governing body:

3 1. A grant ceiling that is higher than the grant ceiling specified in sub. (3).

4 2. Different standards related to job creation or retention, or both, than those
5 that would apply under sub. (2) (b) 3. and 4. to an improvement that is not a
6 qualifying improvement.

7 ***-2747/P3.1* SECTION 37.** 85.021 of the statutes is created to read:

8 **85.021 Environmental evaluations for transportation projects.** (1) In
9 this section:

10 (a) "Environmental assessment" means an analysis of a proposed action to
11 determine whether the proposed action constitutes a major action significantly
12 affecting the human environment under s. 1.11 (2) (c).

13 (b) "Environmental impact statement" means a detailed statement required
14 under s. 1.11 (2) (c).

15 (c) "Greenhouse gas" has the meaning given in s. 299.03 (1) (d).

16 (d) "Transportation project" means any construction, reconstruction,
17 rehabilitation, or other improvement of infrastructure related to any mode of
18 transportation, funded in whole or in part from any appropriation to the department
19 under s. 20.395 or 20.866 (2).

20 (e) "2030 plan" means the department's statewide long-range multimodal
21 transportation plan for the 20-year period ending in 2030.

22 (2) (a) Beginning with environmental assessments and environmental impact
23 statements commenced on the first day of the 24th month beginning after the
24 effective date of this paragraph [LRB inserts date], if the department prepares an
25 environmental assessment or environmental impact statement for a transportation

1 project, the environmental assessment or environmental impact statement shall
2 include an evaluation of all of the following:

3 1. The greenhouse gas emissions and energy use that will result from the
4 transportation project, over the life cycle of the project.

5 2. If any other transportation project that is an alternative to the
6 transportation project under subd. 1. is being considered, the greenhouse gas
7 emissions and energy use that will result from each alternative project, over the life
8 cycle of the alternative project.

9 (b) Any evaluation required under par. (a) shall take into consideration all of
10 the following relating to the project:

11 1. Transportation mode.

12 2. Project materials.

13 3. Project construction methods.

14 4. Maintenance requirements.

15 5. Transportation use derived from the project, including predicted vehicle
16 miles traveled and predicted congestion, if applicable.

17 6. Other pertinent factors.

18 (c) In performing any cost-benefit analysis related to a transportation project
19 for which an evaluation is required under par. (a), the department shall consider the
20 monetary value of the greenhouse gas emissions and energy use that will result from
21 the transportation project, calculated according to the rules promulgated under sub.
22 (4).

23 (3) As part of the environmental evaluation in the department's 2030 plan, the
24 department shall consider greenhouse gas emissions and energy use in identifying,
25 prioritizing, evaluating, or assessing transportation facility or service needs for the

1 statewide transportation system. In any revision, modification, or update of the 2030
2 plan, and in any other statewide long-range multimodal transportation plan of the
3 department, the department shall consider greenhouse gas emissions and energy
4 use in identifying, prioritizing, evaluating, or assessing transportation facility or
5 service needs for the statewide transportation system.

6 (4) The department shall promulgate rules for calculating the monetary value
7 of the greenhouse gas emissions and energy use that will result from transportation
8 projects, over the life cycle of the projects, to be used in performing cost-benefit
9 analyses of transportation project options.

10 ***-3772/P2.3* SECTION 38.** 85.0215 of the statutes is created to read:

11 **85.0215 Surface transportation planning to achieve greenhouse gas**
12 **emission reductions. (1) DEFINITIONS.** In this section:

13 (a) "Greenhouse gas" has the meaning given in s. 299.03 (1) (d).

14 (b) "Intelligent transportation system" has the meaning given in s. 84.001 (1r).

15 (c) "Metropolitan planning organization" has the meaning given in s. 66.0309
16 (17) (a) 3.

17 (2) **GREENHOUSE GAS EMISSION REDUCTION GOALS.** The department of
18 transportation, in consultation with the department of natural resources, shall
19 establish statewide goals for reducing greenhouse gas emissions from surface
20 transportation in this state that, if achieved, will contribute to the state achieving
21 the statewide greenhouse gas emission reduction goals under s. 299.03 (2). After
22 establishing these goals, the department of transportation shall revise the goals
23 whenever appropriate.

24 (3) **DEVELOPMENT OF STRATEGIES AND PLANNING METHODS AND PROCEDURES.** The
25 department of transportation, in consultation with the department of natural

resources, the department of administration, appropriate units in the University of Wisconsin System as designated by the president of the University of Wisconsin System, and metropolitan planning organizations, shall do all of the following:

(a) Identify strategies for reducing greenhouse gas emissions from surface transportation, other than strategies for the reduction of greenhouse gases emitted by motor vehicles or railroad trains through emission limitations or reduced fuel consumption per mile traveled by motor vehicles or railroad trains or through improvements in the greenhouse gas performance of transportation fuels. In identifying these strategies, the department shall consider all of the following:

1. Efforts to increase public transportation ridership, including through service improvements, capacity expansions, and access enhancement.

2. Efforts to increase walking, bicycling, and other forms of nonmotorized transportation.

3. Implementation of zoning and other land use regulations and plans to support increases in population density, transit-oriented development or redevelopment, or mixed-use development.

4. Travel demand management programs, including carpool, vanpool, or other car-share projects; transportation pricing measures; parking policies; and programs to promote telecommuting, flexible work schedules, and satellite work centers.

5. Surface transportation system operation improvements, including intelligent transportation systems or other operational improvements to reduce long-term greenhouse gas emissions through reduced congestion and improved system management.

6. Intercity passenger rail improvements.

7. Intercity bus improvements.

1 8. Freight rail improvements.

2 9. Use of materials or equipment associated with the construction or
3 maintenance of transportation projects that reduce greenhouse gas emissions.

4 10. Public facilities for supplying electricity to electric or plug-in
5 hybrid-electric vehicles.

6 (b) Develop methods and procedures for preparing multimodal transportation
7 plans and transportation improvement programs that incorporate the strategies
8 under par. (a). Where applicable and to the extent practicable, this planning and
9 program preparation shall be based on maximizing the accessibility to destinations
10 provided by the affected transportation systems using all relevant travel modes,
11 including walking and bicycling.

12 **(4) USE OF STRATEGIES AND PLANNING METHODS AND PROCEDURES.** Beginning on
13 the first day of the 24th month beginning after the effective date of this subsection
14 [LRB inserts date], the department, to the extent practicable, shall do all of the
15 following:

16 (a) Use the methods and procedures developed under sub. (3) (b) in preparing
17 its long-range statewide transportation plans and statewide transportation
18 improvement programs.

19 (b) Incorporate the strategies developed under sub. (3) (a) into its long-range
20 statewide transportation plans and statewide transportation improvement
21 programs.

22 **(5) REPORTS AND ASSESSMENTS.** By July 1, 2013, and at least every 4 years
23 thereafter, the department shall assess its progress in achieving its goals under sub.
24 (2), as well as the progress of metropolitan planning organizations in achieving their

goals under s. 66.0309 (17) (b), and shall report its findings to the department of natural resources.

(6) FINANCIAL ASSISTANCE TO METROPOLITAN PLANNING ORGANIZATIONS. After the department has identified strategies for reducing greenhouse gas emissions from surface transportation as provided in sub. (3) (a) and developed methods and procedures for preparing multimodal transportation plans and transportation improvement programs as provided in sub. (3) (b), the department may not, from any appropriation to the department under s. 20.395 or 20.866 (2), provide financial assistance to a metropolitan planning organization unless the metropolitan planning organization has made a good faith effort to satisfy the requirements under s. 66.0309 (17) (c). or s. 66.0309 (17) ✓

(7) CONFORMANCE WITH FEDERAL LAW. If a federal law enacted after the effective date of this subsection [LRB inserts date], conflicts with the requirements of this section, the department shall, by rule, modify the conflicting requirements of this section to comply with the federal law. ✓

-3192/P4.2 SECTION 39. 93.47 of the statutes is created to read:

93.47 Energy crop reserve program. (1) DEFINITIONS. In this section:

(a) "Agronomic practices" means agricultural practices generally associated with row cropping, including row crop production, soil management, and cultivation.

(b) "Native sod" means land on which the plant cover is composed principally of native grasses, grass-like plants, forbs, or shrubs suitable for grazing and browsing, and that has never been tilled for the production of an annual crop.

(c) "Short rotation woody crop" means a woody crop, including willows and poplars, grown using agronomic practices.

1 (2) PROGRAM. The department shall administer a program in which it pays
2 persons to establish and produce any eligible perennial herbaceous crop or short
3 rotation woody crop for the production of energy or fuel.

4 (3) CONTRACT. (a) The department may enter into a contract, for a period not
5 to exceed 10 years, with a person who applies to participate in the program under this
6 section if all of the following are satisfied:

- 7 1. The person is eligible under sub. (5).
8 2. The person's land is eligible for enrollment under sub. (6).
9 3. The person is producing or will produce an energy crop eligible under sub.
10 (7).

11 (b) The department may renew a contract entered into under this section.

12 (c) A person who has entered into a contract with the department and enrolled
13 eligible land in the program under this section may enter into additional contracts
14 with the department to enroll additional eligible land in the program under this
15 section.

16 (d) Each of the following requirements apply to a person who enters into a
17 contract under this section:

18 1. The person shall comply with sustainable planting and harvesting
19 requirements established by the department by rule for perennial herbaceous crops
20 or for short rotation woody crops.

21 2. Notwithstanding s. 281.16 (3) (e), the person shall comply with the
22 performance standards, prohibitions, conservation practices, and technical
23 standards under s. 281.16 (3) (a) to (c).

24 (4) PAYMENTS; LIMITATIONS. (a) Subject to the limitations under par. (b), from
25 the appropriation under s. 20.115 (4) (d), the department may make any of the

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1 following payments to a person with whom the department has entered into a
2 contract under sub. (3) if the person is eligible for the payment:

3 1. Cost-sharing payments equal to a percentage, specified by the department
4 under sub. (8) (a) 3., of the cost to establish an energy crop on the land enrolled under
5 the contract.

6 2. Income replacement payments of a percentage, specified by the department
7 under sub. (8) (a) 4., of the average annual net income the person earned from the
8 land enrolled under the contract in the 5 consecutive years before the land was
9 enrolled in the program under this section. The person may receive an annual
10 payment under this subsection until the person is eligible to receive or has received
11 a production payment under subd. 3. for energy crops harvested on land enrolled
12 under the contract, or for the number of years specified by the department under sub.
13 (8) (a) 4. a., whichever is less. A payment under this subdivision may replace a
14 portion of the payment, as specified by the department under sub. (8) (a) 4. b., the
15 person had received under the conservation reserve program under 16 USC 3831 to
16 3836.

17 3. Production payments, of an amount determined by the department under
18 sub. (8) (a) 5., for each ton of energy crop harvested and used to produce energy or
19 fuel or sold to a person that will use the crop to produce energy or fuel.

20 (b) 1. If the total amount of payments to be made under par. (a) in a fiscal year
21 would exceed the amount available from the appropriation under s. 20.115 (4) (d), the
22 department shall prorate the payments among all persons eligible to receive a
23 payment under par. (a) in that fiscal year.

24 2. No person eligible to receive a payment under par. (a) may receive payments
25 in excess of the amount established by the department under sub. (8) (a) 7.

1 **(5) ELIGIBILITY.** A person is eligible to participate in the program under this
2 section if any of the following applies:

3 (a) The person owns land eligible to be enrolled in the program.

4 (b) The person controls land eligible to be enrolled in the program under a lease
5 that covers the contract period established under sub. (3).

6 **(6) ENROLLMENT.** (a) Except as provided in par. (b), a person eligible under sub.
7 (5) may apply to enroll in the program under this section any land in this state that
8 is used or suitable for growing the crops identified under sub. (7).

9 (b) The following land may not be enrolled in the program under this section:

10 1. Federally owned land, other than land in this state held in trust by the
11 federal government for an American Indian or a federally recognized American
12 Indian tribe or band.

13 2. Land owned by a municipality. In this subdivision, "municipality" has the
14 meaning given in s. 66.0301 (1) (a).

15 3. Land that is in native sod on the effective date of this subdivision [LRB
16 inserts date].

17 4. Land enrolled in the program under subch. I or subch. VI of ch. 77.

18 5. Land enrolled in any of the following:

19 a. The conservation reserve program under 16 USC 3831 to 3836.

20 b. The wetlands reserve program under 16 USC 3837 to 3837f.

21 c. The grassland reserve program under 16 USC 3838n to 3838q.

22 d. The biomass crop assistance program under 7 USC 8111.

23 **(7) ELIGIBLE ENERGY CROPS.** (a) Except as provided in par. (b), a person may
24 receive payments under this section for the production of any perennial herbaceous
25 crop or short rotation woody crop to be harvested and used to produce energy or fuel.

(b) No payments may be received under this section for the growth of any of the following:

1. A crop that is produced and harvested for a purpose other than the production of energy or fuel, even if the residue of the crop may be used to produce energy or fuel.

2. Any plant identified by the department of natural resources under s. 23.22 as invasive or having the potential to become invasive.

3. Any other crop specified by the department by rule.

(8) RULE MAKING. (a) The department shall promulgate the following by rule:

1. Rules to implement and administer the program under this section, including all of the following:

a. The application form and procedures for applying.

b. Procedures and criteria for the review and approval or rejection of an application.

c. Procedures and criteria for disbursing payments under the program, including prorating of payments under sub. (4) (b) 1.

d. Reporting required of persons who have entered into a contract with the department under sub. (3).

e. Conditions under which a person may reenroll land under this section.

2. Crops ineligible for payments, as described under sub. (7) (b).

3. The amount of, limits on, and procedures for calculating cost-sharing payments available to persons under sub. (4) (a) 1., including the manner in which the amounts of or limits on cost-sharing payments will vary with the energy crops being established and the costs required to establish that energy crop.

1 4. The amount of, limits on, and procedures for calculating income replacement
2 payments under sub. (4) (a) 2., including all of the following:

3 a. The maximum number of years a person may receive payments under sub.
4 (4) (a) 2., which number shall depend upon the time required to establish the energy
5 crop being established by the person.

6 b. Limits on the amount or percent of income from payments received under
7 the federal conservation reserve program, 7 USC 3831 to 3836, that may be included
8 in the calculation of income replacement under sub. (4) (a) 2. The rules promulgated
9 under this subd. 4. b. shall be designed to provide an incentive for persons who
10 remove their land from the federal conservation reserve program to enroll the land
11 in the program under this section, but small enough that those persons will not
12 choose to withdraw their land from the federal conservation reserve program solely
13 for the purpose of receiving payments under sub. (4) (a) 2.

14 5. The amount of and limits on production payments made under sub. (4) (a)
15 3., including the manner in which the amount of the payment available to a person
16 under sub. (4) (a) 3. will vary depending upon the energy or fuel derived from the
17 particular energy crop produced, the costs to produce the energy crop, and other
18 factors consistent with the objectives of the program under this section.

19 6. Procedures and criteria for allocating funds available from the appropriation
20 under s. 20.115 (4) (d) between cost-sharing payments, income replacement
21 payments, and production payments.

22 7. Limits on the amount of payments that a person with whom the department
23 has entered into a contract under sub. (3) may receive in any payment category under
24 sub. (4) (a), in any contract year, and over the duration of the contract.

1 8. Requirements for sustainable planting and harvesting practices, including
2 practices to minimize consumptive water use and maximize water conservation,
3 applicable to persons with whom the person has entered into a contract under sub.
4 (3).

5 (b) To advance any of the following objectives, the department may promulgate
6 rules to establish priorities for entering into contracts with persons and enrolling
7 land in the program under this section, and for making payments to a person who
8 has entered into a contract under sub. (3), based upon the attributes of the land, the
9 agricultural practices of the person, or any other pertinent factors:

10 1. Maximizing carbon sequestration, as defined in s. 299.03 (1) (bm).

11 2. Minimizing life-cycle greenhouse gas emissions of the production,
12 harvesting, processing, and distribution of the energy crop by minimizing any of the
13 following:

14 a. The distance the energy crop must be transported between the point of
15 production and the point of end use.

16 b. The use of fossil fuels to plant, cultivate, and harvest the energy crop.

17 c. The application of fertilizer and pesticide in connection with the production
18 of the energy crop.

19 d. Other energy-consuming practices.

20 3. The preservation of farmland through a farmland preservation agreement
21 or farmland preservation zoning.

22 4. Providing soil and water conservation or wildlife preservation benefits.

23 (c) The department of agriculture, trade and consumer protection shall consult
24 with the department of natural resources in the preparation of any rules that affect
25 the natural resources of this state.

1 **(9) PROGRAM OUTCOMES AND REPORTS.** The department of agriculture, trade and
2 consumer protection shall, no later than July 1 of each odd year, submit to the
3 departments of administration and natural resources a report containing all of the
4 following information about the program under this section:

5 (a) The number of acres of land enrolled in the program.

6 (b) The number of tons and the energy content of each energy crop harvested
7 under the program.

8 (c) Costs of the program.

9 (d) The extent to which the program under this section complements and is
10 coordinated with the biomass crop assistance program under 7 USC 8111.

11 (e) Any recommendations for legislation to improve the program under this
12 section.

13 ***-3192/P4.3* SECTION 40.** 93.475 of the statutes is created to read:

14 **93.475 Bioenergy feedstock production incentive study.** (1) In this
15 section:

16 (a) "Bioenergy feedstock" means biomass used to produce energy, including
17 heat or electricity, or to produce a fuel, including transportation fuel.

18 (b) "Biomass" has the meaning given in s. 196.374 (1) (am).

19 (c) "Cap and trade program" has the meaning given in s. 299.04 (1) (a).

20 **(2) (a)** The department of agriculture, trade and consumer protection shall, in
21 consultation with the department of natural resources, study whether current and
22 projected markets for bioenergy feedstocks and state and federal programs in effect
23 on the effective date of this paragraph [LRB inserts date], provide adequate
24 financial incentives to prompt producers of bioenergy feedstocks to sustainably
25 produce a supply of biomass that, as a result of the use of that biomass as bioenergy

1 feedstocks, will significantly contribute to the achievement of the state greenhouse
2 gas emission reduction goals established under s. 299.03 (2). The department of
3 agriculture, trade and consumer protection and the department of natural resources
4 shall prepare a report on the study.

5 (b) The department of agriculture, trade and consumer protection and the
6 department of natural resources shall prepare the study required under this
7 subsection in consultation with the office of energy independence in the department
8 of administration, the public service commission, the University of Wisconsin
9 System, the administrator of the statewide energy efficiency and renewable
10 resources programs under s. 196.374 (2) (a) 1., representatives of natural resources
11 and environmental organizations, and representatives of sectors of the economy in
12 this state that are affected by the programs.

13 (3) (a) If, after conducting the study under sub. (2), the department of
14 agriculture, trade and consumer protection and the department of natural resources
15 determine that the financial incentives under state and federal law are inadequate
16 to prompt producers of bioenergy feedstocks to sustainably produce a supply of
17 biomass that will significantly contribute to the achievement of the state greenhouse
18 gas emission reduction goals established under s. 299.03 (2), and that additional
19 financial incentives are warranted, the department of agriculture, trade and
20 consumer protection and the department of natural resources shall recommend
21 changes to improve the effectiveness of financial incentives under existing state
22 programs and propose new legislation offering additional financial incentives to
23 prompt bioenergy feedstock producers to sustainably produce additional biomass in
24 order to help achieve the state greenhouse gas emission reduction goals. The
25 department of agriculture, trade and consumer protection and the department of

1 natural resources shall consider all of the following when making the
2 recommendations required under this paragraph:

3 1. Methods to reduce financial risks of bioenergy feedstock producers, such as
4 loan guarantees and insurance.

5 2. Expansion of a cap and trade program or a voluntary greenhouse gas
6 emissions reduction offset program to create credits for producers of bioenergy
7 feedstocks who reduce greenhouse gas emissions during the production of bioenergy
8 feedstocks by adopting appropriate management practices.

9 3. Expansion of the renewable resource credits created under s. 196.378 (3) (a)
10 1. to authorize the creation of credits from the production or generation of nonelectric
11 energy, as defined in s. 196.378 (1r) (dm), that is produced or generated from biomass.

12 (b) No later than July 1, 2013, the department of agriculture, trade and
13 consumer protection and the department of natural resources shall submit a report
14 on the study required under sub. (2) together with any recommended changes to
15 current law or recommended new legislation proposed under par. (a) to the climate
16 change coordinating council.

17 ***-2707/2.1* SECTION 41.** 100.215 of the statutes is created to read:

18 **100.215 Energy efficiency; consumer audio and video equipment. (1)**

19 **DEFINITIONS.** In this section:

20 (b) "Compact audio device" means an integrated audio system that is encased
21 in a single housing; that includes an amplifier, radio tuner, and attached or separable
22 speakers; and that can reproduce audio from magnetic tape, compact disc, digital
23 versatile disc, or flash memory, except that "compact audio device" does not include
24 any of the following:

25 1. A device that can only be powered by internal batteries.

1 2. A device that has a powered external satellite antenna.

2 3. A device that can produce a video output signal.

3 (c) "Digital versatile disc" means a laser-encoded plastic medium capable of
4 storing a large amount of digital audio, video, or computer data.

5 (d) "Digital versatile disc player" means a commercially available electronic
6 device encased in a single housing that includes an integral power supply and whose
7 primary purpose is the decoding of digitized audio and video signals on a digital
8 versatile disc.

9 (e) "Digital versatile disc recorder" means a commercially available electronic
10 device encased in a single housing that includes an integral power supply and for
11 which the primary purpose is the production or recording of digitized audio and video
12 signals on a digital versatile disc, except that "digital versatile disc recorder" does not
13 include a device that has an electronic programming guide.

14 (f) "Digital video recorder" means a device that can record audio and video
15 signals on a hard disk drive or other device that can store the signals digitally, except
16 that "digital video recorder" does not include a device that has an electronic
17 programming guide.

18 (g) "Electronic programming guide" means an application that provides an
19 interactive on-screen menu of television listings and that downloads program
20 information from the vertical blanking interval of a television signal.

21 (h) "Standby mode" means the condition in which a device is connected to a
22 power source and does not produce video or audio output signals, but can be switched
23 into another mode with a remote control unit or an internal signal.

24 (i) "Television" means a commercially available electronic device consisting of
25 a monitor, with or without a tuner or receiver, encased in a single housing, which is

1 designed to receive and display an analog or digital video signal received from a
2 terrestrial, satellite, cable, or broadband source, except that "television" does not
3 include any of the following:

4 1. A multifunction device that can perform functions performed by a video
5 cassette recorder, digital versatile disc player or recorder, digital video recorder, or
6 electronic programming guide or that has a point-of-deployment card slot.

7 2. A computer monitor.

8 (j) "Video cassette recorder" means a commercially available analog recording
9 device that includes an integral power supply and that records audio and video
10 signals onto a tape medium for subsequent viewing.

11 **(2) PROHIBITION; PENALTY.** (a) No person may sell or offer for sale at retail in this
12 state any of the following:

13 1. A compact audio device without a permanently illuminated clock that uses
14 more than 2 watts in standby mode.

15 2. A compact audio device with a permanently illuminated clock that uses more
16 than 4 watts in standby mode.

17 3. A television that uses more than 3 watts in standby mode.

18 4. A digital versatile disc player or digital versatile disc recorder that uses more
19 than 3 watts in standby mode.

20 (b) A person who violates this subsection is subject to a forfeiture of not more
21 than \$100. Each device sold or offered for sale in violation of this subsection
22 constitutes a separate violation.

23 ***-2389/P4.3* SECTION 42.** 101.02 (23) of the statutes is created to read:

24 101.02 **(23)** No later than July 1, 2013, and at least every 4 years thereafter,
25 the department shall prepare and provide to the department of natural resources an

assessment of progress toward meeting the new building energy use goal in s. 299.03 (3).

***-2541/2.2* SECTION 43.** 101.027 (1) of the statutes is renumbered 101.027 (1m) and amended to read:

101.027 (1m) ~~In this section, "energy conservation code" means the~~ The department shall, by rule, promulgate an energy conservation code promulgated by the department that sets minimum design requirements standards for construction and equipment for the purpose of energy conservation in public buildings and places of employment. Except as provided in sub. (1r), the rules shall conform to the energy design standards contained in a generally accepted code.

***-2541/2.3* SECTION 44.** 101.027 (1g) of the statutes is created to read:

101.027 (1g) In this section, "generally accepted code" means the International Energy Conservation Code or an energy efficiency code that provides at least as great an energy conservation benefit as the energy design standards contained in the International Energy Conservation Code and that is generally accepted and used by architects, engineers, and the construction industry in the construction of public buildings and places of employment.

***-2541/2.4* SECTION 45.** 101.027 (1r) of the statutes is created to read:

101.027 (1r) (a) The department may set particular design standards that are less strict than those contained in the generally accepted code used by the department to promulgate the energy conservation code under sub. (1m) if all of the following apply:

1. Application of the generally accepted code is unreasonably burdensome because of specific conditions existing in this state.

1 2. The less strict standards provide the greatest energy conservation benefits
2 that are consistent with the specific conditions.

3 (b) The department may set particular design standards that are stricter than
4 those contained in the generally accepted code used by the department to promulgate
5 the energy conservation code under sub. (1m) if the department takes into account
6 the cost of complying with the stricter standards in relationship to the benefits
7 derived from complying with the stricter standards, including the reasonably
8 foreseeable economic and environmental benefits to this state from any reduction in
9 the use of fossil fuel and in emissions of greenhouse gasses.

10 ***-2541/2.5* SECTION 46.** 101.027 (2) of the statutes is amended to read:

11 101.027 (2) The department shall review the energy conservation code
12 promulgated under sub. (1m), and shall, subject to the requirements of sub. (1r),
13 promulgate rules that change the requirements of the energy conservation code to
14 improve energy conservation. ~~No rule may be promulgated that has not taken into~~
15 ~~account the cost of the energy conservation code requirement, as changed by the rule,~~
16 ~~in relationship to the benefits derived from that requirement, including the~~
17 ~~reasonably foreseeable economic and environmental benefits to the state from any~~
18 ~~reduction in the use of imported fossil fuel. The proposed rules changing the energy~~
19 ~~conservation code shall be submitted to the legislature in the manner provided under~~
20 ~~s. 227.19. In conducting a review under this subsection, the department shall~~
21 ~~consider incorporating, into the energy conservation code, design requirements from~~
22 ~~the most current national energy efficiency design standards, including the~~
23 ~~International Energy Conservation Code or an energy efficiency code other than the~~
24 ~~International Energy Conservation Code if that energy efficiency code is used to~~

1 ~~prescribe design requirements for the purpose of conserving energy in buildings and~~
2 ~~is generally accepted and used by engineers and the construction industry.~~

3 ***-2541/2.6* SECTION 47.** 101.027 (3) (a) 1. of the statutes is amended to read:

4 101.027 (3) (a) 1. A revision of the ~~International Energy Conservation Code~~
5 generally accepted code used by the department to promulgate the energy efficiency
6 code under sub. (1m) is published.

7 ***-2541/2.7* SECTION 48.** 101.027 (3) (b) 1. of the statutes is amended to read:

8 101.027 (3) (b) 1. If the department begins a review under sub. (2) because a
9 revision of the ~~International Energy Conservation Code~~ generally accepted code
10 used by the department to promulgate the energy efficiency code under sub. (1m) is
11 published, the department shall complete its review of the energy conservation code,
12 ~~as defined in sub. (1),~~ and submit to the legislature proposed rules changing the
13 energy conservation code, ~~as defined in sub. (1),~~ no later than 18 months after the
14 date on which the revision of the ~~International Energy Conservation Code~~ generally
15 accepted code is published.

16 ***-2541/2.8* SECTION 49.** 101.027 (4) of the statutes is created to read:

17 101.027 (4) The department shall promulgate rules that set voluntary design
18 standards for the purpose of reducing the environmental impact of constructing,
19 maintaining, and using public buildings and places of employment. The department
20 shall base the design standards on standards jointly established by the American
21 National Standards Institute, the American Society of Heating, Refrigerating and
22 Air Conditioning Engineers, the U.S. Green Building Council, and the Illuminating
23 Engineering Society of North America or on similar standards that are generally
24 accepted and used by architects, engineers, and the construction industry in the
25 construction of public buildings and places of employment if the similar standards

1 provide benefits in reducing the environmental impact of constructing, maintaining,
2 and using public buildings and places of employment that are at least as great as the
3 benefits provided in the jointly established standards. The department shall
4 promulgate rules under this subsection that set design standards that provide
5 significantly greater energy conservation benefits than those provided by the design
6 standards contained in the energy conservation code under sub. (1m).

7 ***-2541/2.9* SECTION 50.** 101.028 of the statutes is created to read:

8 **101.028 Agricultural building code.** The department shall, by rule,
9 promulgate an energy conservation code that sets minimum design standards for
10 agricultural facilities. The department shall define, for purposes of that code,
11 “agricultural facility,” which shall include a barn and a milking parlor. The
12 department shall consult with the department of agriculture, trade and consumer
13 protection before promulgating rules under this section.

14 ***-2707/2.2* SECTION 51.** 101.173 of the statutes is created to read:

15 **101.173 Industrial boilers; energy efficiency. (1)** In this section:

16 (a) “Cooperative association” has the meaning given in s. 196.491 (1) (bm).

17 (b) “Industrial boiler” means a closed vessel in which water or other liquid is
18 heated and that produces hot water or steam for an industrial process.

19 (c) “Public utility” has the meaning given in s. 196.01 (5).

20 (d) “Self-generator” means a person that uses equipment and facilities to
21 generate electricity and that consumes, on each day that the equipment and facilities
22 are in use, no less than 70 percent of the aggregate kilowatt hours output from the
23 equipment and facilities in manufacturing processes at the site where the equipment
24 and facilities are located.

25 (e) “Wholesale merchant plant” has the meaning given in s. 196.491 (1) (w).

1 (2) (a) Except as provided in par. (b), a person who owns an industrial boiler
2 shall cause the boiler to be inspected on an annual basis to assess the boiler's energy
3 efficiency. The owner of the industrial boiler shall take such action based upon the
4 results of each annual inspection as necessary to maximize the energy efficiency of,
5 and to minimize the emission of greenhouse gasses from, the industrial boiler.

6 (b) The requirements under par. (a) do not apply with respect to any of the
7 following:

8 1. An industrial boiler that is used by a cooperative association to generate
9 electricity.

10 2. An industrial boiler that is used by a public utility to generate electricity.

11 3. An industrial boiler that is used by the operator of a wholesale merchant
12 plant to generate electricity unless the wholesale merchant plant is a self-generator.

13 (3) The department may promulgate rules to implement and enforce the
14 requirements under sub. (2).

15 *-2541/2.10* SECTION 52. 101.62 of the statutes is amended to read:

16 **101.62 Dwelling code council; power.** The dwelling code council shall
17 review the standards and rules for one- and 2-family dwelling construction and
18 recommend a uniform dwelling code for adoption by the department which shall
19 include rules providing for the conservation of energy in the construction and
20 maintenance of dwellings, consistent with the requirements of s. 101.63 (1m), and
21 for costs of specific code provisions to home buyers to be related to the benefits
22 derived from such provisions. The council shall study the need for and availability
23 of one-family and 2-family dwellings that are accessible to persons with disabilities,
24 as defined in s. 106.50 (1m) (g), and shall make recommendations to the department
25 for any changes to the uniform dwelling code that may be needed to ensure an

adequate supply of one-family and 2-family dwellings. Upon its own initiative or at the request of the department, the council shall consider and make recommendations to the department pertaining to rules and any other matters related to this subchapter. The council shall recommend variances for different climate and soil conditions throughout the state.

***-2541/2.11* SECTION 53.** 101.63 (1) (intro.) of the statutes is amended to read:

101.63 (1) (intro.) Adopt rules which establish standards for the construction and inspection of one- and 2-family dwellings and components thereof. Where feasible, the standards used shall be those nationally recognized and shall apply to the dwelling and to its electrical, heating, ventilating, air conditioning and other systems, including plumbing, as defined in s. 145.01 (10). ~~No set of rules may be adopted which has not taken into account the conservation of energy in construction and maintenance of dwellings and the costs of specific code provisions to home buyers in relationship to the benefits derived from the provisions.~~ Rules promulgated under this subsection do not apply to a bed and breakfast establishment, as defined under s. 254.61 (1), except that the rules apply to all of the following:

***-2541/2.12* SECTION 54.** 101.63 (1m) of the statutes is created to read:

101.63 (1m) (a) In this subsection, "generally accepted code" means the International Energy Conservation Code or an energy efficiency code that provides at least as great an energy conservation benefit as the energy design standards contained in the International Energy Conservation Code and that is generally accepted and used by architects, engineers, and the construction industry in the construction of one- and 2-family dwellings.

(b) The department shall, by rule, promulgate an energy conservation code that sets minimum design standards for construction and equipment for the purpose of

1 energy conservation in one- and 2-family dwellings. Except as provided in pars. (c)
2 and (d), the rules shall conform to the energy design standards contained in a
3 generally accepted code.

4 (c) The department may set particular design standards that are less strict
5 than those contained in the generally accepted code used by the department to
6 promulgate the energy conservation code under par. (b) if all of the following apply:

7 1. Application of the generally accepted code is unreasonably burdensome
8 because of specific conditions existing in this state.

9 2. The less strict standards provide the greatest energy conservation benefits
10 that are consistent with the specific conditions.

11 (d) The department may set particular design standards that are stricter than
12 those contained in the generally accepted code used by the department to promulgate
13 the energy conservation code under par. (b) if the department takes into account the
14 cost of complying with the stricter standards in relationship to the benefits derived
15 from complying with the stricter standards, including the reasonably foreseeable
16 economic and environmental benefits to this state from any reduction in the use of
17 fossil fuel and in emissions of greenhouse gasses.

18 (e) The department shall review the energy conservation code promulgated
19 under par. (b), and shall, subject to the requirements of pars. (c) and (d), promulgate
20 rules that change the requirements of the energy conservation code to improve
21 energy conservation.

22 (f) The department shall begin a review under par. (e) whenever one of the
23 following occurs:

24 1. A revision of the generally accepted code used by the department to
25 promulgate the energy conservation code under par. (b) is published.

1 2. Three years have passed from the date on which the department last
2 submitted to the legislature proposed rules changing the energy conservation code.

3 (g) The department shall complete a review under par. (e) as follows:

4 1. If the department begins a review under par. (e) because a revision of the
5 generally accepted code used by the department to promulgate the energy
6 conservation code under par. (b) is published, the department shall complete its
7 review of the energy conservation code and submit to the legislature proposed rules
8 changing the energy conservation code no later than 18 months after the date on
9 which the revision of the generally accepted code is published.

10 2. If the department begins a review under par. (e) because 3 years have passed
11 from the date on which the department last submitted to the legislature proposed
12 rules changing the energy conservation code, the department shall complete its
13 review of the energy conservation code and submit to the legislature proposed rules
14 changing the energy conservation code no later than 9 months after the last day of
15 the 3-year period.

16 ***-3880/P2.9* *-2948/P4.3* SECTION 55.** 101.80 (1j) of the statutes is amended
17 to read:

18 101.80 (1j) "Electricity provider" means a public utility, an electric cooperative,
19 ~~or a wholesale merchant plant operator, or, beginning on the date specified in the~~
20 ~~notice published under s. 196.493 (3) (b), a nonutility nuclear power plant operator.~~

21 ***-3880/P2.10* *-2948/P4.4* SECTION 56.** 101.80 (2m) of the statutes is created
22 to read:

23 101.80 (2m) "Nonutility nuclear power plant operator" means the operator of
24 a nonutility nuclear power plant, as defined in s. 196.491 (1) (i). This subsection
25 takes effect on the date specified in the notice published under s. 196.493 (3) (b).

1 ***-3548/P2.1* SECTION 57.** 110.20 (1) (b) of the statutes is amended to read:

2 110.20 (1) (b) "Nonexempt vehicle" means any motor vehicle as defined under
3 s. 340.01 (35) which is owned by the United States or which is required to be
4 registered in this state and ~~to which one or more emission limitations adopted under~~
5 ~~s. 285.30 (2) applies~~ which is not exempt under sub. (14m).

6 ***-3548/P2.2* SECTION 58.** 110.20 (3) (a) of the statutes is amended to read:

7 110.20 (3) (a) The inspection and maintenance program shall be designed to
8 determine compliance with the emission limitations promulgated under s. 285.30 (2)
9 or with emission limitations under s. 285.305 (1) or (2), for motor vehicles subject to
10 those emission limitations, and compliance with s. 285.30 (6).

11 ***-3880/P2.11* *-2965/P5.6* SECTION 59.** 196.025 (1) (ag) 1. of the statutes is
12 renumbered 196.025 (1) (ag) 1r.

13 ***-3880/P2.12* *-2965/P5.7* SECTION 60.** 196.025 (1) (ag) 1g. of the statutes
14 is created to read:

15 196.025 (1) (ag) 1g. "Municipal utility" has the meaning given in s. 16.957 (1)
16 (q).

17 ***-3880/P2.13* *-2965/P5.8* SECTION 61.** 196.025 (1) (b) 1. of the statutes is
18 renumbered 196.025 (1) (b) 1. (intro.) and amended to read:

19 196.025 (1) (b) 1. (intro.) In a proceeding in which an ~~investor-owned~~ electric
20 public utility is a party, the commission shall not order or otherwise impose energy
21 conservation or efficiency requirements on the ~~investor-owned~~ electric public utility
22 if the commission has fulfilled all of its duties under s. 196.374 and ~~the~~
23 ~~investor-owned~~ any of the following is satisfied:

24 a. The electric public utility has satisfied the requirements of s. 196.374 for the
25 year prior to commencement of the proceeding, as specified in s. 196.374 (8) (d).

1 ***-3880/P2.14* *-2965/P5.9* SECTION 62.** 196.025 (1) (b) 1. b. of the statutes
2 is created to read:

3 196.025 (1) (b) 1. b. If the electric public utility is a municipal utility, the
4 commission determines under s. 196.374 (8) that the electric public utility has, on
5 average over the 4 years preceding the commencement of the proceeding, met, in the
6 aggregate, the goals established under s. 196.374 (3) (bn) 1. f. for the electric public
7 utility or the commission determines that the electric public utility has made a good
8 faith effort to meet the goals during such 4-year period.

9 ***-3880/P2.15* *-2965/P5.10* SECTION 63.** 196.025 (1) (b) 2. of the statutes is
10 amended to read:

11 196.025 (1) (b) 2. In a proceeding in which a wholesale supplier that has
12 accepted an assignment from a municipal utility or retail electric cooperative under
13 s. 196.374 (7) (bg) is a party, the commission shall not order or otherwise impose
14 energy conservation or efficiency requirements on the wholesale supplier or any
15 municipal utility or retail electric cooperative that made the assignment if the
16 commission has fulfilled all of its duties under s. 196.374 and the ~~wholesale~~
17 ~~supplier's members are in the aggregate substantially in compliance with s. 196.374~~
18 ~~(7)~~ commission determines under s. 196.374 (8) that the wholesale supplier or all
19 municipal utilities or retail electric cooperatives from which the wholesale supplier
20 has accepted assignment have, on average over the 4 years preceding the
21 commencement of the proceeding, met, in the aggregate, the goals established under
22 s. 196.374 (3) (bn) 1. f. for the municipal utilities or retail electric cooperatives or the
23 commission determines that the wholesale supplier, municipal utilities, or retail
24 electric cooperatives have made a good faith effort to meet the goals during such
25 four-year period.

1 ***-3880/P2.16* *-3654/P3.1* SECTION 64.** 196.025 (1) (c) 1. of the statutes is
2 amended to read:

3 196.025 (1) (c) 1. In a proceeding in which an ~~investor-owned~~ electric public
4 utility is a party, the commission shall not order or otherwise impose any renewable
5 resource requirements on the ~~investor-owned~~ electric public utility if the
6 commission has fulfilled all of its duties under s. 196.378 and the commission has
7 informed the utility under s. 196.378 (2) (c) 2. that, with respect to the most recent
8 report submitted under s. 196.378 (2) (c) 1., the utility is in compliance with the
9 requirements of s. 196.378 (2) (a) 2. This subdivision does not limit the authority of
10 the commission to enforce a public utility's obligations under s. 196.374 or 196.379.

11 ***-3880/P2.17* *-2966/P5.6* SECTION 65.** 196.025 (1) (c) 2. of the statutes is
12 amended to read:

13 196.025 (1) (c) 2. In a proceeding in which a wholesale supplier is a party, the
14 commission shall not order or otherwise impose any renewable resource
15 requirements on the wholesale supplier if the commission has fulfilled all of its
16 duties under s. 196.378 and the wholesale supplier's members or customers are in
17 the aggregate substantially in compliance with s. 196.378 (2).

18 ***-3880/P2.18* *-2966/P5.7* SECTION 66.** 196.025 (1) (c) 3. of the statutes is
19 created to read:

20 196.025 (1) (c) 3. The commission shall give priority in the scheduling of its
21 business to the consideration of applications for a certificate of authority under s.
22 196.49, or a certificate of public convenience and necessity under s. 196.491 (3), for
23 a proposed renewable facility, as defined in s. 196.378 (1r) (g).

24 ***-3880/P2.19* *-2965/P5.11* SECTION 67.** 196.025 (1) (e) of the statutes is
25 created to read:

1 196.025 (1) (e) *Exercise of regulatory authority.* The commission shall exercise
2 its regulatory authority to ensure that the maximum reductions in the use of and
3 demand for electricity and natural gas are achieved through the implementation of
4 cost-effective energy efficiency and conservation programs, utility demand response
5 and load management programs, and tariffs designed to reduce energy use, while
6 taking account of the costs and benefits for customers and the need to maintain a
7 highly reliable system capable of delivering an adequate supply of electricity and
8 natural gas at reasonable cost.

9 ***-3880/P2.20* *-2966/P5.8* SECTION 68.** 196.025 (2m) (c) of the statutes is
10 amended to read:

11 196.025 (2m) (c) Paragraph (b) does not waive any duty of the commission or
12 the department to comply with s. 1.11 or to take any other action required by law
13 regarding a project, except that, in the consideration of alternative locations, sites,
14 or routes for a project, the commission and the department are required to consider
15 only the location, site, or route for the project identified in an application for a
16 certificate under s. 196.49 and no more than one alternative location, site, or route;
17 and, for a project identified in an application for a certificate under s. 196.491 (3),
18 other than an application for a renewable facility, as defined in s. 196.378 (1r) (g), the
19 commission and the department are required to consider only the location, site, or
20 route for the project identified in the application and one alternative location, site,
21 or route.

22 ***-2389/P4.4* SECTION 69.** 196.025 (7) of the statutes is created to read:

23 196.025 (7) **ENERGY CONSERVATION ASSESSMENT.** No later than July 1, 2013, and
24 at least every 4 years thereafter, the commission shall prepare and provide to the

1 department of natural resources an assessment of progress toward meeting the
2 statewide energy conservation goals in s. 299.03 (3m).

3 ***-3880/P2.21* *-2948/P4.5* SECTION 70.** 196.25 (1) of the statutes is
4 renumbered 196.25 (1r).

5 ***-3880/P2.22* *-2948/P4.6* SECTION 71.** 196.25 (1g) of the statutes is created
6 to read:

7 196.25 (1g) In this section, "public utility" includes the owner or operator of a
8 nuclear power plant, as defined in s. 196.491 (1) (j), for which the commission has
9 issued a certificate of public convenience and necessity under s. 196.491 (3) on or
10 after the date specified in the notice published under s. 196.493 (3) (b).

11 ***-3880/P2.23* *-2965/P5.12* SECTION 72.** 196.374 (1) (am) of the statutes is
12 created to read:

13 196.374 (1) (am) "Biomass" means plant material or residue, biological waste,
14 or landfill gases. "Biomass" does not include garbage, as defined in s. 289.01 (9), or
15 nonbiological industrial, nonbiological commercial, or nonbiological household
16 waste.

17 ***-3880/P2.24* *-2965/P5.13* SECTION 73.** 196.374 (1) (b) of the statutes is
18 amended to read:

19 196.374 (1) (b) "Commitment to community program" means an energy
20 efficiency or load management program by or on behalf for regulated fuel usage in
21 the service territory of a municipal utility or retail electric cooperative or a renewable
22 resource program involving customer applications of renewable resources that take
23 place at the premises of the customers or members of a municipal utility or retail
24 electric cooperative.